(Please scan this QR Code to view the Draft Red Herring Prospectus)

DRAFT RED HERRING PROSPECTUS
Dated August 1, 2025
Please read Section 32 of the Companies Act 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Offer

ASSET RECONSTRUCTION COMPANY (INDIA) LIMITED
CORPORATE IDENTITY NUMBER: U65999MH2002PLC134884

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND E-MAIL	WEBSITE
The Ruby, 10th Floor, 29 Senapati Bapat Marg, Dadar (West) Mumbai – 400 028, Maharashtra, India	Ameet Ashok Kela, *Company Secretary and Compliance Officer*	**Tel:** +91 22-66581300 **E-mail:** cs@arcil.co.in	www.arcil.co.in

OUR PROMOTERS: AVENUE INDIA RESURGENCE PTE. LTD. AND STATE BANK OF INDIA

DETAILS OF THE OFFER TO PUBLIC

Type	Fresh Issue size	Offer for Sale size	Total Offer size	Eligibility and share reservation
Offer for Sale	Not applicable	Up to 105,463,892 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	Up to 105,463,892 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	The Offer is being made pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"). For further details, see "*Other Regulatory and Statutory Disclosures – Eligibility for the Offer*" on page 434. For details of share reservation among Qualified Institutional Buyers, Retail Individual Investors and Non-Institutional Investors, see "*Offer Structure*" on page 456.

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION

Name of Selling Shareholder	Type of the Selling Shareholders	Number of Equity Shares of face value of ₹10 each being offered/ amount	Weighted Average Cost of Acquisition per Equity Share (in ₹)*
Avenue India Resurgence Pte. Ltd.	Promoter Selling Shareholder	Up to 68,739,034 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] million	55.62
State Bank of India	Promoter Selling Shareholder	Up to 19,445,000 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] million	36.76
Lathe Investment Pte. Ltd.	Investor Selling Shareholder	Up to 16,244,858 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] million	84.00
The Federal Bank Limited	Other Selling Shareholder	Up to 1,035,000 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] million	35.43

**As certified by J. Kala & Associates, Chartered Accountants (FRN: 118769W) by way of their certificate dated August 1, 2025.*

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Floor Price, Cap Price, and the Offer Price (as determined by our Company, in consultation with the book running lead managers to the Offer ("**BRLMs**") and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, in accordance with SEBI ICDR Regulations, and as stated in "*Basis for Offer Price*" on page 107 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/ or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares of face value of ₹10 each in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 40.

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100% Book Built Offer

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each of the Selling Shareholders, severally and not jointly accepts responsibility for and confirms only the statements specifically made or confirmed by such Selling Shareholder in this Draft Red Herring Prospectus, to the extent such statements are solely pertaining to such Selling Shareholder and/or its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect. The Selling Shareholders do not assume responsibility for any other statements, disclosures and undertakings in this Draft Red Herring Prospectus, including without limitation, any of the statements, disclosures or undertakings made or confirmed by or in relation to our Company or our Company's business, or by any other Selling Shareholder or any other person(s).

LISTING

The Equity Shares of face value of ₹10 each that will be offered through the Red Herring Prospectus are proposed to be listed on the stock exchanges being BSE Limited (the "**BSE**") and National Stock Exchange of India Limited (the "**NSE**", and together with the BSE, the "**Stock Exchanges**"). For the purposes of the Offer, [●] shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

NAME AND LOGO OF THE BRLMs		CONTACT PERSON	TELEPHONE AND E-MAIL
IIFL CAPITAL	**IIFL Capital Services Limited (*formerly known as IIFL Securities Limited*)**	Nishita Mody/ Pawan Kumar Jain	**Tel:** +91 22 4646 4728 **E-mail:** arcil.ipo@iiflcap.com
IDBI capital	**IDBI Capital Markets & Securities Limited**	Indrajit Bhagat/ Sri Krishna Tapariya	**Tel:** +91 22 4069 1953 **E-mail:** arcil.ipo@idbicapital.com
JM FINANCIAL	**JM Financial Limited**	Prachee Dhuri	**Tel:** +91 22 6630 3030 **E-mail:** arcil.ipo@jmfl.com

REGISTRAR TO THE OFFER

LOGO OF THE REGISTRAR	NAME OF REGISTRAR	CONTACT PERSON	TELEPHONE AND E-MAIL
MUFG MUFG Intime	MUFG Intime India Private Limited (*Formerly Link Intime India Private Limited*)	Shanti Gopalkrishnan	**Tel:** +91 810 811 4949 **E-mail:** arcil@in.mpms.mufg.com

BID/OFFER PERIOD

ANCHOR INVESTOR BIDDING DATE*	[●]*	BID/OFFER OPENS ON	[●]	BID/OFFER CLOSES ON**^	[●]**^

* *Our Company, in consultation with the BRLMs and subject to applicable law, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Offer Opening Date, in accordance with the SEBI ICDR Regulations.*

** *Our Company and Selling Shareholders, in consultation with the BRLMs and subject to applicable law, may decide to close the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date, in accordance with the SEBI ICDR Regulations.*

^ *UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.*

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Dated August 1, 2025
Please read Section 32 of the Companies Act 2013
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ASSET RECONSTRUCTION COMPANY (INDIA) LIMITED

Our Company was originally incorporated as "Asset Reconstruction Company (India) Limited " as a public limited company under the Companies Act, 1956 through certificate of incorporation dated February 11, 2002, issued by the RoC, received a certificate of commencement of business from the RoC on May 7, 2003 and received the certificate of registration from the Reserve Bank of India to commence business on August 29, 2003. For details of the changes in registered office of our Company, see "*History and Certain Corporate Matters – Changes in registered office of our Company*" on page 203.

Corporate Identity Number: U65999MH2002PLC134884
Registered and Corporate Office: The Ruby, 10th Floor, 29 Senapati Bapat Marg, Dadar (West), Mumbai – 400 028, Maharashtra, India; **Tel**: +91 22-66581300
Contact Person: Ameet Ashok Kela, Company Secretary and Compliance Officer; **E-mail**: cs@arcil.co.in; **Website**: www.arcil.co.in

OUR PROMOTERS: AVENUE INDIA RESURGENCE PTE. LTD. AND STATE BANK OF INDIA

INITIAL PUBLIC OFFERING OF UP TO 105,463,892 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF ASSET RECONSTRUCTION COMPANY (INDIA) LIMITED ("COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER"). THE OFFER COMPRISES OF AN OFFER FOR SALE OF UP TO 105,463,892 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "OFFERED SHARES") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER FOR SALE"), COMPRISING UP TO 68,739,034 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY AVENUE INDIA RESURGENCE PTE. LTD., UP TO 19,445,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY STATE BANK OF INDIA (TOGETHER REFERRED TO AS "PROMOTER SELLING SHAREHOLDERS"), UP TO 16,244,858 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY LATHE INVESTMENT PTE. LTD. ("INVESTOR SELLING SHAREHOLDER") AND UP TO 1,035,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY THE FEDERAL BANK LIMITED ("OTHER SELLING SHAREHOLDER", AND ALONG WITH THE PROMOTER SELLING SHAREHOLDERS AND INVESTOR SELLING SHAREHOLDER, THE "SELLING SHAREHOLDERS"). THE OFFER SHALL CONSTITUTE [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLMs AND WILL BE ADVERTISED IN ALL EDITIONS OF THE [●], AN ENGLISH NATIONAL DAILY NEWSPAPER WITH WIDE CIRCULATION, ALL EDITIONS OF [●], A HINDI NATIONAL DAILY NEWSPAPER WITH WIDE CIRCULATION, AND [●] EDITIONS OF [●], A MARATHI NATIONAL DAILY NEWSPAPER WITH WIDE CIRCULATION (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA WHERE OUR REGISTERED AND CORPORATE OFFICE IS LOCATED), AT LEAST 2 WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE STOCK EXCHANGES FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES, IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company, in consultation with the BRLMs, for reasons to be recorded in writing, may extend the Bid / Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public notice and also by indicating the change on the respective websites of the BRLMs and at the terminals of the members of the Syndicate and by intimation to the Self-Certified Syndicate Banks ("**SCSBs**") and by intimation to Designated Intermediaries and Sponsor Bank(s), as applicable.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**"), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made in accordance with Regulation 6(1) of the SEBI ICDR Regulations, through the Book Building Process wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (such portion referred to as "**QIB Portion**"), provided that our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (the "**Anchor Investor Portion**"), out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("**Anchor Investor Allocation Price**"), in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (excluding the Anchor Investor Portion) (the "**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) one-third of such portion shall be reserved for applicants with application size of more than ₹0.20 million and up to ₹1.00 million; and (b) two third of such portion shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders (except Anchor Investors) are required to mandatorily use the Application Supported by Blocked Amount ("**ASBA**") process providing details of their respective ASBA accounts, and UPI ID in case of UPI Bidders, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank(s) under the UPI Mechanism, as applicable, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For further details, see "*Offer Procedure*" on page 45.

RISKS IN RELATION TO THE OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Offer Price/Floor Price/Cap Price, as determined by our Company, in consultation with the BRLMs, and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, in accordance with the SEBI ICDR Regulations and as stated in "*Basis for Offer Price*" on page 107 should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares of face value of ₹10 each in the Offer have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 40.

ISSUER'S AND SELLING SHAREHOLDERS'ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each of the Selling Shareholders, severally and not jointly accepts responsibility for and confirms only the statements specifically made or confirmed by such Selling Shareholders in this Draft Red Herring Prospectus, to the extent of such statements are solely pertaining to such Selling Shareholder and/or its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect. The Selling Shareholders do not assume responsibility for any other statements, disclosures and undertakings in this Draft Red Herring Prospectus, including, without limitation, any of the statements, disclosures or undertakings made or confirmed by or in relation to our Company or our Company's business, or by any other Selling Shareholder or any other person(s).

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 536.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER
IIFL CAPITAL	IDBI capital	JM FINANCIAL	MUFG
IIFL Capital Services Limited (*formerly known as IIFL Securities Limited*) 24th Floor, One Lodha Place, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, Maharashtra, India **Tel:** +91 22 4646 4728 **E-mail:** arcil.ipo@iiflcap.com **Website:** www.iiflcap.com **Investor Grievance E-mail:** ig.ib@iiflcap.com **Contact Person:** Nishita Mody/ Pawan Kumar Jain **SEBI Registration No.:** INM000010940	**IDBI Capital Markets & Securities Limited** 6th Floor, IDBI Tower WTC Complex Cuffe Parade Mumbai –400 005, Maharashtra, India **Tel:** +91 22 4069 1953 **E-mail:** arcil.ipo@idbicapital.com **Website:** www.idbicapital.com **Investor Grievance E-mail:** redressal@idbicapital.com **Contact Person:** Indrajit Bhagat/ Sri Krishna Tapariya **SEBI Registration No.:** INM000010866	**JM Financial Limited** 7th Floor, Cnergy Appasaheb Marathe Marg, Prabhadevi Mumbai 400 025 Maharashtra, India **Tel:** +91 22 6630 3030 **E-mail:** arcil.ipo@jmfl.com **Website:** www.jmfl.com **Investor Grievance E-mail:** grievance.ibd@jmfl.com **Contact Person:** Prachee Dhuri **SEBI Registration No.:** INM000010361	**MUFG Intime India Private Limited (*Formerly Link Intime India Private Limited*)** C-101, 1st Floor, 247 Park Lal Bhadur Shastri Marg Vikhroli (West) Mumbai 400 083 Maharashtra, India **Tel:** +91 810 811 4949 **E-mail:** arcil@in.mpms.mufg.com **Website:** www.in.mpms.mufg.com **Investor grievance e-mail:** arcil@in.mpms.mufg.com **Contact person:** Shanti Gopalkrishnan **SEBI Registration No.:** INR000004058

BID/OFFER PERIOD

ANCHOR INVESTOR BIDDING DATE	[●]*	BID/OFFER OPENS ON	[●]	BID/OFFER CLOSES ON	[●]**^

* *Our Company, in consultation with the BRLMs and subject to applicable law, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investors shall Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date, in accordance with the SEBI ICDR Regulations.*

** *Our Company and Selling Shareholders, in consultation with the BRLMs and subject to applicable law, may consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations*

^ *UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date*

TABLE OF CONTENTS

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless otherwise specified or the context otherwise indicates, requires or implies, shall have the meanings as provided below. References to any legislation, act, regulation, rule, guideline, directions, policy, circular, memorandum of association or articles of association, notification or clarification shall be deemed to include all amendments, supplements, re-enactments and modifications thereto, from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time thereunder.

The words and expressions used but not defined in this Draft Red Herring Prospectus will have, to the extent applicable, the same meaning as assigned to such terms under the Companies Act, the SEBI Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the Depositories Act and the rules and regulations notified thereunder, as applicable.

Notwithstanding the foregoing, the terms used in "Objects of the Offer", "Basis for Offer Price", "Statement of Possible Special Tax Benefits", "Industry Overview", "Key Regulations and Policies", "History and Certain Corporate Matters", "Restated Financial Information", "Financial Indebtedness", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Outstanding Litigation and Material Developments", "Other Regulatory and Statutory Disclosures", and "Description of Equity Shares and Terms of Articles of Association" on pages 105, 107, 116, 121, 198, 203, 248, 370, 372, 414, 433 and 479 respectively, shall have the respective meanings ascribed to them in the relevant sections.

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

General Terms

Term(s)	Description
"our Company" or "the Company" or "the Issuer"	Asset Reconstruction Company (India) Limited, a public limited company incorporated under the Companies Act, 1956, whose registered office is situated at The Ruby, 10th Floor, 29, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028, Maharashtra, India
"We" or "us" or "our" or "Group"	Unless the context otherwise indicates, requires or implies, refers to our Company, together with our Subsidiaries and Associates, on a consolidated basis, as applicable at and during such fiscals/ period

Company related terms

Term(s)	Description
Amendment Agreement	Amendment agreement to the Share Subscription Agreement dated August 1, 2025 entered among the Investor Selling Shareholder and our Company
"Articles of Association" or "Articles" or "AoA"	The articles of association of our Company, as amended
"Associate Company" or "Associates"	Our Company does not have any associates as defined under the Companies Act. In accordance with Ind AS 110 and our accounting policies, the following trusts, where our outstanding investments in security receipts in trusts is between 20%-25%, have been considered as associates in the Restated Consolidated Financial Information: 1. Arcil-AST-003-IV-Trust 2. Arcil-CPS-002-V Trust-Scheme A 3. Arcil-CPS-081-I-Trust 4. Arcil-Retail Port-046-A-T 5. Arcil Retail Loan Portfolio-022-A Trust 6. Arcil-SBPS-022-II Trust 7. Arcil-SBPS-022-III-Trust 8. Arcil-SBPS-022-IV Trust 9. ARCIL-TRUST-2024-001 10. Arcil-Trust -2025 – 012 11. Arcil-Trust -2025 – 013 12. Arcil-Trust -2025 – 018 For further details, see "*History and Certain Corporate Matters – Associates and Joint Ventures*" on page 207
Audit Committee	The audit committee of our Board constituted in accordance with the ARC Master Directions, Companies Act, 2013 and the SEBI Listing Regulations and as described in "*Our Management – Committees of our Board – Audit Committee*" on page 220
Audited Consolidated Financial Information	The Audited Consolidated Financial Information of our Company, Subsidiaries and Associates comprising the Audited Consolidated Statement of Assets and Liabilities as at and for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023, the Audited Consolidated Statement of Profit and Loss (including other comprehensive income), the Audited Consolidated Statement of Changes in Equity and the Audited Consolidated Statement of Cash Flows for the financial years ended March 31,

Term(s)	Description
	2025, March 31, 2024 and March 31, 2023 and the summary of material accounting policies and other explanatory notes of our Company and Subsidiaries. each prepared in accordance with Ind AS by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013
Audited Financial Statement	The Audited Financial Statement includes the Audited Consolidated Financial Information and Audited Standalone Financial Information
Audited Standalone Financial Information	The Audited Standalone Financial Information of our Company comprising the Audited Standalone Statement of Assets and Liabilities as at and for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023, the Audited Standalone Statement of Profit and Loss (including other comprehensive income), the Audited Standalone Statement of Changes in Equity and the Audited Standalone Statement of Cash Flows for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 and the summary of material accounting policies and other explanatory notes of our Company. each prepared in accordance with Ind AS by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013
"Auditors" or "Statutory Auditors"	The statutory auditors of our Company, namely, M S K A & Associates, Chartered Accountants (Peer Review Certificate Number: 105047W)
"Board" or "Board of Directors"	The board of directors of our Company, as described in *"Our Management – Board of Directors*" on page 212
Chairman	The chairman of our Company, being Narayanan Subramaniam. For further details, see *"Our Management – Board of Directors"* on page 212
"Chief Financial Officer" or "CFO"	The chief financial officer of our Company, being Pramod Kumar Gupta. For further details, see *"Our Management – Key Managerial Personnel and Senior Management"* on page 227
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, being Ameet Ashok Kela. For further details, see *"Our Management – Key Managerial Personnel and Senior Management"* on page 227
CRISIL	Crisil Intelligence (*formerly known as CRISIL Market Intelligence & Analytics*), a division of Crisil Limited
CRISIL Report	The report titled "*Analysis of Asset Reconstruction Industry in India"* dated July, 2025, prepared and issued by Crisil Intelligence, which has been commissioned by and paid for by our Company exclusively for the purposes of the Offer pursuant to an engagement letter dated March 11, 2025. A copy of the CRISIL Report shall be available on the website of our Company from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date and has also been included in "*Material Contracts and Documents for Inspection – Material Documents*" on page 536
Corporate Social Responsibility Committee and Environmental, Social and Governance Committee	The corporate social responsibility and environmental, social and governance committee of our Board constituted in accordance with the Companies Act, 2013 as described in "*Our Management – Committees of our Board – Corporate Social Responsibility and Environmental, Social and Governance Committee*" on page 224
Director(s)	The director(s) on our Board, as appointed from time to time
ESOP 2025	ARCIL Employee Stock Option Scheme 2025
Equity Shares	The equity shares of our Company of face value of ₹ 10 each
"Executive Director"	The Chief Executive Officer and Managing Director on the Board of Directors of our Company, namely Pallav Mohapatra. For further details of the Executive Directors, see "*Our Management – Board of Directors*" on page 212
Holding Company	Avenue India Resurgence Pte. Ltd.
Independent Chartered Accountant	J. Kala & Associates, Chartered Accountants (FRN: 118769W), the independent chartered accountants appointed by our Company in connection with the Offer
Investor Selling Shareholder	Lathe Investment Pte. Ltd.
"Key Managerial Personnel" or "KMP"	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013, as disclosed in "*Our Management – Key Managerial Personnel and Senior Management*" on page 227
Managing Director	The managing director of our Company, being Pallav Mohapatra. For further details, see *"Our Management – Board of Directors"* on page 212
Materiality Policy	The policy adopted by our Board of Directors pursuant to its resolution dated August 1, 2025 for identification of group companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations
"Memorandum of Association" or "Memorandum" or "MoA"	The memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with ARC Master Directions, Companies Act, 2013 and the SEBI Listing Regulations, and as described in "*Our Management – Committees of our Board – Nomination and Remuneration Committee*" on page 222
"Non-Executive, Independent Director(s)" or "Independent Director(s)"	An independent director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations. For further details of our Non-Executive, Independent Directors, see "*Our Management – Board of Directors*" on page 212
Non-Executive, Non-Independent Director(s)	A non-executive Director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations, who is not an executive, or Independent Director. For further details of our Non-Executive Non-Independent Directors, see "*Our Management – Board of Directors*" on page 212
Non-Executive Director(s)	Collectively, Non-Executive, Non - Independent Director(s) and Non-Executive, Independent Director(s)

Term(s)	Description
Other Selling Shareholder	The Federal Bank Limited
"Promoters"	The promoters of our Company, namely Avenue India Resurgence Pte. Ltd. and State Bank of India. For further details, see "*Our Promoters and Promoter Group*" on page 231
Promoter Selling Shareholders	Avenue India Resurgence Pte. Ltd. and State Bank of India
Promoter Group	The entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in "*Our Promoters and Promoter Group*" on page 231
"Registered and Corporate Office" or "Registered Office"	The registered and corporate office of our Company situated at The Ruby, 10th Floor, 29, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028, Maharashtra, India
"Registrar of Companies" or "RoC"	Registrar of Companies, Maharashtra at Mumbai
Restated Consolidated Financial Information	The Restated Consolidated Financial Information of our Company, Subsidiaries and Associates comprising the Restated Consolidated Statement of Assets and Liabilities as at and for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash Flows for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 and the summary of material accounting policies and other explanatory notes of our Company and Subsidiaries, derived from the audited consolidated financial statements as at and for each of the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023, each prepared in accordance with Ind AS and restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI
Restated Financial Information	The Restated Financial Information includes the Restated Consolidated Financial Information and Restated Standalone Financial Information
Restated Standalone Financial Information	The Restated Standalone Financial Information of our Company comprising the Restated Standalone Statement of Assets and Liabilities as at and for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Standalone Statement of Profit and Loss (including other comprehensive income), the Restated Standalone Statement of Changes in Equity and the Restated Standalone Statement of Cash Flows for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 and the summary of material accounting policies and other explanatory notes of our Company, derived from the audited standalone financial statements as at and for each of the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023, each prepared in accordance with Ind AS and restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI
Risk Management Committee	The risk management committee of our Board constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations, and as described in "*Our Management – Committees of our Board – Risk Management Committee*" on page 224
"SBI" or "State Bank of India"	State Bank of India
Selling Shareholders	Collectively, the Promoter Selling Shareholders, Investor Selling Shareholder and the Other Selling Shareholder
Shareholder(s)	The holders of the Equity Shares from time to time
Share Subscription Agreement/SSA	Share subscription agreement dated August 12, 2008 and the amendment agreement to the Share Subscription Agreement dated November 20, 2008, entered into between Investor Selling Shareholder and our Company
"SMP" or "Senior Management"	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations as described in "*Our Management – Key Managerial Personnel and Senior Management*" on page 227
"Sponsor" or "Sponsor(s)"	A sponsor as defined under the SARFAESI Act, 2002, means any person holding not less than 10% of the paid-up equity capital of an asset reconstruction company
"Security Receipt" or "SR"	A receipt or other security, issued by an asset reconstruction company to any qualified buyer pursuant to a scheme, evidencing the purchase or acquisition by the holder thereof, of an undivided right, title or interest in the financial asset involved in securitization
SR Holder	Holder of Security Receipts
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations, as described in "*Our Management – Committees of our Board – Stakeholders' Relationship Committee*" on page 223
"Subsidiary" or "Subsidiaries"	Our Company does not have any subsidiaries as defined under the Companies Act. However, in accordance with Ind AS 110 and our accounting policies, the following trusts where our outstanding investment in security receipts in trusts are more than 25%, have been considered as subsidiaries in the Restated Consolidated Financial Information. Such trusts are set up by our Company for the purpose of acquisition and securitization of financial assets: 1. Arcil-2024C-001 -Trust 2. Arcil-2024C-003 -Trust 3. Arcil-2024C-004 -Trust 4. Arcil-2024C-005 -Trust 5. Arcil-2024C-006 -Trust 6. Arcil-2024C-007-Trust

Term(s)	Description
	7. Arcil-AARF-II-Trust-Scheme 1 8. Arcil-AST-001-IX-Trust 9. Arcil-AST-001-VI-Trust 10. Arcil-AST-001-XI-Trust 11. Arcil-AST-001-X-Trust 12. Arcil-AST-001-XVIII-Trust 13. Arcil-AST-003-VIII-Trust 14. Arcil-AST-017-I-Trust 15. Arcil-AST-017-V-Trust 16. Arcil-AST-018-I-Trust 17. ARCIL-AST-024-II-TRUST 18. Arcil-AST-024-I-Trust 19. Arcil-AST-026-I-Trust 20. Arcil-AST-030-II-Trust 21. Arcil-AST-039-I-Trust 22. Arcil-AST-IV-Trust 23. Arcil-AST-RA-001 Trust 24. Arcil-AST-VII-Trust 25. Arcil-Bellary Steels & Alloys Ltd.-II Trust 26. Arcil-Bentels Corporation Limited Trust 27. Arcil-BPL Display Devices Limited-I Trust 28. Arcil-CPS 002-II TrustScheme B 29. Arcil-CPS-002-I TrustScheme A4 30. Arcil-CPS-002-I TrustScheme A5 31. Arcil-CPS-002-I TrustScheme A6 32. Arcil-CPS-002-I TrustScheme B1 33. Arcil-CPS-002-I TrustScheme D 34. Arcil-CPS-002-IX Trust 35. Arcil-CPS-002-VII TrustScheme B 36. Arcil-CPS-002-VII Trust-Scheme C 37. Arcil-CPS-002-VII TrustScheme D 38. Arcil-CPS-003-IV Trust 39. Arcil-CPS-003-V Trust 40. Arcil-CPS-006-III-Trust 41. Arcil-CPS-008-II-Trust 42. Arcil-CPS-012-I Trust 43. Arcil-CPS-012-II Trust 44. Arcil-CPS-012-III-Trust 45. Arcil-CPS-032-I-Trust 46. Arcil-CPS-041-I-Trust 47. Arcil-CPS-II-Trust 48. Arcil-CPS-IV-Trust 49. Arcil-Daewoo Motors India Ltd Trust 50. Arcil-Equipment Conductor & Cables Ltd. Trust 51. Arcil-Esteem Estate Projects Pvt. Ltd. Trust 52. Arcil - Excel Oils and Chemicals Pvt. Ltd. Trust 53. Arcil-Golden Fries Ltd. Trust 54. Arcil-Hanuman Miner Oil Ltd. Trust 55. Arcil-Indo Deutsche Metallo Chemique-Trust 56. Arcil-International Sree Balaji Hotels Private Limited Trust 57. Arcil-Ispat Profiles Trust 58. Arcil-Jagat Edible Oil India Pvt. Ltd. Trust 59. Arcil-JCT II Trust 60. Arcil-JCT III Trust 61. Arcil-Jhagadia Copper Limited Trust 62. Arcil-Kiran Overseas Exports Ltd. Trust 63. Arcil-Kishore Dalal & Company Trust 64. Arcil-KOEL-I Trust 65. Arcil-KOEL-II Trust 66. Arcil-L. S. P. Agro Limited Trust 67. Arcil-LSIL Trust 68. Arcil-Mafatlal Engineering Industries Ltd Trust 69. Arcil-Maridia Steel Limited-I Trust 70. Arcil-Maridia Steel Limited-II Trust 71. Arcil-Maridia Steel Limited-III Trust 72. Arcil-Maridia Steel Limited-IV Trust 73. Arcil-Mukerian II Trust 74. Arcil Mukerian Paper Ltd Trust

Term(s)	Description
	75. Arcil-MVR-I Trust 76. Arcil-MVR-II Trust 77. Arcil-MVR-III Trust 78. Arcil-Nath Seeds Limited Trust 79. Arcil NHB Retail Loan Portfolio 001 Trust 80. Arcil-NPPML Trust 81. Arcil-Parasrampuria Synthetics ltd Trust 82. Arcil-Parekh Platinum Ltd. Trust 83. Arcil-Polar Industries Limited Trust 84. Arcil-Polar Industries Limited-II Trust 85. Arcil-Precision Fastners Ltd-Trust 86. Arcil-PSL II Trust 87. Arcil-PSL III Trust 88. Arcil-PSL IV Trust 89. Arcil-Retail Loan Portfolio -036-A-Trust 90. Arcil-Retail Loan Portfolio-002-A Trust 91. Arcil-Retail Loan Portfolio-002-B Trust 92. Arcil-Retail Loan Portfolio-003-A Trust 93. Arcil-Retail Loan Portfolio-029-A-Trust 94. Arcil-Retail Loan Portfolio-029-B-Trust 95. Arcil Retail Loan Portfolio-042-B-Trust 96. Arcil-Retail Loan Portfolio-042-E-Trust 97. Arcil-Retail Loan Portfolio-042-F-Trust 98. Arcil-Retail Loan Portfolio-042-G-Trust 99. Arcil-Retail Loan Portfolio-042-H-Trust 100. Arcil-Retail Loan Portfolio-042-I-Trust 101. Arcil Retail Loan Portfolio-045-B-Trust 102. Arcil-Retail Loan Portfolio-045-C-Trust 103. Arcil Retail Loan Portfolio-053-A-Trust 104. Arcil-Retail Loan Portfolio-058-B-Trust 105. Arcil-Retail Loan Portfolio-058-C-Trust 106. Arcil-Retail Loan Portfolio-060-A-Trust 107. Arcil-Retail Loan Portfolio-061-A-Trust 108. Arcil-Retail Loan Portfolio-074-A-Trust 109. Arcil-Retail Loan Portfolio-074-B-Trust 110. Arcil-Retail Loan Portfolio-092-A-Trust 111. Arcil-Retail Loan Portfolio-42-D-Trust 112. Arcil-Retail Port-032-A-Trust 113. Arcil-Retail Port-042-A-Trust 114. Arcil-Retail Port-044-A-T 115. Arcil-Retail Port-048-A-Trust 116. Arcil-Retail Port-049-A-Trust 117. Arcil-Retail Port-050-A-Trust 118. Arcil-SBPS 001-III TrustScheme A 119. Arcil-SBPS 001-III TrustScheme B 120. Arcil-SBPS 001-IV TrustScheme A 121. Arcil-SBPS 001-IV TrustScheme B 122. Arcil-SBPS 001-V TrustScheme B 123. Arcil-SBPS 001-XII Trust 124. Arcil-SBPS 002-I TrustScheme A 125. Arcil-SBPS 002-I TrustScheme B2 126. Arcil-SBPS 013-I TrustScheme B 127. Arcil-SBPS 014-II TrustScheme A 128. Arcil-SBPS 014-II TrustScheme C 129. Arcil-SBPS 016-I Trust 130. Arcil-SBPS 019-I TrustScheme B 131. Arcil-SBPS 021-I TrustScheme B 132. Arcil-SBPS 021-I TrustScheme C 133. Arcil-SBPS 021-II Trust 134. Arcil-SBPS 022-I TrustScheme A1 135. Arcil-SBPS 073-I Trust 136. Arcil-SBPS-001-I Trust 137. Arcil-SBPS-001-VI Trust 138. Arcil-SBPS-001-VIII Trust 139. Arcil-SBPS-001-X Trust 140. Arcil-SBPS-002-II-Trust 141. Arcil- SBPS-006-VII Trust 142. Arcil-SBPS-007-II-TrustScheme A1

Term(s)	Description
	143. Arcil-SBPS-007-II-TrustScheme A2 144. Arcil-SBPS-007-II-TrustScheme C 145. Arcil-SBPS-008-I Trust 146. Arcil-SBPS-014-I-TrustScheme A 147. Arcil-SBPS-014-I-TrustScheme B 148. Arcil-SBPS-025-I Trust 149. Arcil-SBPS-026-II-Trust 150. Arcil-SBPS-027-I Trust 151. Arcil-SBPS-028-I-Trust 152. Arcil-SBPS-041-I-Trust 153. Arcil-SBPS-042-I-Trust 154. Arcil-SBPS-060-I-Trust 155. Arcil-SBPS-I-Trust 156. Arcil-Shalimar Wires Industries Limited-II Trust 157. Arcil-Shalimar Wires Industries Limited-III Trust 158. Arcil-Shalimar Wires Industries Limited-IV Trust 159. Arcil-The Dhar Textile Mills Ltd. Trust 160. Arcil-Trust-2025-005 161. Arcil-Trust-2025-008 162. Arcil-Trust-2025-010 163. Arcil-Trust-2025-015 164. Arcil-Trust-2025C-001 165. Arcil-Trust-2025C-003 166. Arcil-Trust-2025C-004 167. Arcil-Trust-2025C-005 168. Arcil-Trust-2025C-006 169. Arcil-Trust-2025C-007 170. Arcil-Trust-2025C-008 171. Arcil-Trust-2025C-009 172. Arcil-Trust-2025C-010 173. Arcil-Trust-2025C-011 174. Arcil-Trust-2025C-012 175. Arcil-Trust-2025C-013 176. Arcil-Trust-2025C-014 177. Arcil-Trust-2025C-015 178. Arcil-Trust-2025C-016 179. Arcil-Trust-2025C-017 180. Arcil-Trust-2025C-018 181. Arcil-Trust-2025C-019 182. Arcil-Trust-2026-001* 183. Arcil-Trust-2026-003* 184. Arcil-Trust-2026-004* 185. Arcil-Trust-2026-006* 186. Arcil-Trust-2026C-001* 187. Arcil-Trust-2026C-002* 188. Arcil-Trust-2026C-003* 189. Arcil-Trust-2026C-004* 190. Arcil-Uday Estates Pvt. Ltd. Trust 191. Arcil-Vama Exports Ltd. Trust ** These entities have been identified as Subsidiaries as on the date of this Draft Red Herring Prospectus, since our Company has acquired these entities, post Fiscal 2025 and our investment in security receipts is more than 25% in accordance with IND AS 110 and our accounting policies.* For further details, see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 205

Offer related terms

Term	Description
Abridged Prospectus	The memorandum containing such salient features of a prospectus as may be specified by the SEBI in this regard
Acknowledgement Slip	The slip or document to be issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
"Allot" or "Allotment" or Allotted"	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	The note or advice or intimation of Allotment, sent to each of the successful Bidders who have been or are to be Allotted in the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee(s)	A successful Bidder to whom the Equity Shares are Allotted

Term	Description
Anchor Investor(s)	A Qualified Institutional Buyer, who applies under the Anchor Investor Portion in accordance with the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹100 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors during the Anchor Investor Bid/ Offer Period in terms of the Red Herring Prospectus and the Prospectus. The Anchor Investor Allocation Price shall be determined by our Company, in consultation with the BRLMs
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion in accordance with the requirements specified under the SEBI ICDR Regulations and the Red Herring Prospectus
"Anchor Investor Bidding Date" or "Anchor Investor Bid/ Offer Period"	The day, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Managers will not accept any Bids from Anchor Investors, and allocation to the Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be equal to or higher than the Offer Price but not higher than the Cap Price The Anchor Investor Offer Price will be determined by our Company, in consultation with the BRLMs
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), the Anchor Investor Bid/ Offer Period, and in the event the Anchor Investor Allocation Price is lower than the Anchor Investor Offer Price, not later than two Working Days after the Bid/Offer Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the BRLMs, to Anchor Investors, on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
"Application Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and to authorise an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of the UPI Mandate Request by UPI Bidders using the UPI Mechanism
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders, for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder, which the Bid Amount is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder using the UPI Mechanism
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	Bidder(s), except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer	The Escrow Collection Bank(s), the Refund Bank(s), the Public Offer Account Bank(s) and the Sponsor Bank(s), as the case may be
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, described in "*Offer Procedure*" on page 459
Bid	An indication to make an offer during the Bid/Offer Period by ASBA Bidders pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Offer Period by the Anchor Investors pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto, in accordance with the SEBI ICDR Regulations and the Red Herring Prospectus and the relevant Bid cum Application Form. The term "Bidding" shall be construed accordingly
Bid Amount	In relation to each Bid, the highest value of the Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders, Bidding at the Cut- off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder, and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of such Bid.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the case may be
Bid Lot	[●] Equity Shares of face value of ₹10 each and in multiples of [●] Equity Shares of face value of ₹10 each thereafter
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be published in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation. Our Company and Selling Shareholders, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the revised Bid/Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice and shall also be notified on the websites of the BRLMs and at the terminals of the Syndicate Members and communicated to the

Term	Description
	Designated Intermediaries and the Sponsor Bank(s), which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to any Bids received from Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be published in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation
Bid/Offer Period	Except in relation to any Bids received from Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations, and the terms of the Red Herring Prospectus. Provided, however, that the Bid/Offer Period shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors Our Company and Selling Shareholders, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, in accordance with the SEBI ICDR Regulations
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., the Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	The book building process as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
“Book Running Lead Managers” or “BRLMs”	The book running lead managers to the Offer, being IIFL Capital Services Limited (*formerly known as IIFL Securities Limited*), IDBI Capital Markets & Securities Limited and JM Financial Limited.
Broker Centres	The broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker (in case of UPI Bidders, using the UPI Mechanism). The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), updated from time to time
“CAN” or “Confirmation of Allocation Note”	Notice or intimation of allocation of the Equity Shares to be sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/ Offer Period
Cap Price	The higher end of the Price Band, subject to any revision thereto, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted. The Cap Price shall be at least 105% of the Floor Price and shall not exceed 120% of the Floor Price
Cash Escrow and Sponsor Bank(s) Agreement	The agreement to be entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Syndicate Member(s) and the Banker(s) to the Offer for, *inter alia*, appointment of the Cash Escrow and Sponsor Bank(s), collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account(s) and where applicable, remitting refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to a dematerialised account
“Collecting Depository Participant” or “CDPs”	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of the SEBI ICDR Master Circular, SEBI RTA Master Circular and the UPI Circulars issued by SEBI, and as per the list available on the websites of BSE and NSE, as updated from time to time
Cut-off Price	The Offer Price, finalised by our Company, in consultation with the BRLMs, which shall be any price within the Price Band. Only Retail Individual Investors Bidding in the Retail Portion are entitled to Bid at the Cut-off Price. No other category of Bidders is entitled to Bid at the Cut-off Price
Demographic Details	The demographic details of the Bidders including the Bidder’s address, name of the Bidder’s father/husband, investor status, occupation, bank account details and UPI ID, as applicable
Designated Branches	Such branches of the SCSBs which will collect the ASBA Forms used by the ASBA Bidders and a list of which is available on the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time, or any such other website as may be prescribed by the SEBI
Designated CDP Locations	Such locations of the CDPs where ASBA Bidders can submit the ASBA Forms The details of such Designated CDP Locations, along with the names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account(s) to the Public Offer Account(s) or the Refund Account(s), as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instructions issued through the Sponsor Bank(s)) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public

Term	Description
	Offer Account(s), and/or are unblocked, as the case may be, in terms of the Red Herring Prospectus and the Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted to successful Bidders in the Offer
Designated Intermediary(ies)	Collectively, the Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the Bidders in the Offer In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs In relation to ASBA Forms submitted by QIBs (excluding Anchor Investors) and NIBs (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, sub- syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders (excluding Anchor Investors) can submit the ASBA Forms to the RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	[●]
"Draft Red Herring Prospectus" or "DRHP"	This draft red herring prospectus dated August 1, 2025 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda hereto
Eligible FPIs	FPIs that are eligible to participate in the Offer from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby
Eligible NRI(s)	NRI(s) eligible to invest under Schedule 3 and Schedule 4 of the FEMA Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Red Herring Prospectus and the Bid cum Application Form will constitute an invitation to subscribe to or purchase the Equity Shares
Escrow Account(s)	The 'no lien' and 'non interest bearing' account(s) to be opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit or NACH or NEFT or RTGS in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The bank(s), which are clearing member(s) and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account(s) will be opened, in this case, being [●]
"First Bidder" or "Sole Bidder"	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name appears as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revisions thereof, at or above which the Offer Price and Anchor Investor Offer Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares
"General Information Document" or "GID"	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI / HO / CFD / DIL1 / CIR / P / 2020 / 37 dated March 17, 2020 and the UPI Circulars and any subsequent circulars or notifications issued by SEBI, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs
IDBI	IDBI Capital Markets & Securities Limited
IIFL	IIFL Capital Services Limited (*formerly known as IIFL Securities Limited*)
JM Financial	JM Financial Limited
Minimum Promoter's Contribution	Aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company that is eligible to form part of the minimum promoter's contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Promoters, which shall be locked-in for a period of eighteen months from the date of Allotment
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares of face value ₹10 each which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer being [●] Equity Shares, which shall be available for allocation to Non-Institutional Bidders on a proportionate basis, subject to valid Bids being received at or above the Offer Price, out of which (a) one-third shall be reserved for Bidders with Bids exceeding ₹ 0.20 million up to ₹ 1.00 million; and (b) two-thirds shall be reserved for Bidders with Bids exceeding ₹ 1.00 million
"Non-Institutional Bidders" or "NIBs" or "Non- Institutional Investors"	All Bidders that are not QIBs (including Anchor Investors) or Retail Individual Bidders who have Bid for Equity Shares for an amount of more than ₹ 0.20 million (but not including NRIs other than Eligible NRIs)

Term	Description
Offer	The initial public offering of up to 105,463,892 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] each (including a share premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] million, comprising of the Offer for Sale.
Offer Agreement	The agreement dated August 1, 2025 entered into among our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements have been agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to 105,463,892 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million by the Selling Shareholders comprising of up to 68,739,034 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million by Avenue India Resurgence Pte. Ltd., up to 19,445,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million by State Bank of India, up to 16,244,858 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million by Lathe Investment Pte. Ltd. and up to 1,035,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million by The Federal Bank Limited
Offer Price	The final price (within the Price Band) at which Equity Shares will be Allotted to the successful Bidders (except for the Anchor Investors), in terms of the Red Herring Prospectus and the Prospectus, which shall not be lower than the face value of the Equity Shares Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company, in consultation with the BRLMs in terms of the Red Herring Prospectus and the Prospectus. The Offer Price will be determined by our Company, in consultation with the BRLMs, on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus
Offer Proceeds	The proceeds of the Offer for Sale which shall be available to the Selling Shareholders For further information about use of the Offer Proceeds, see "*Objects of the Offer*" on page 105
Offer Documents	The Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus and any other document, form or instrument including publicity material, research reports, presentations and media releases, as may be required in connection with the Offer.
Offered Shares	Up to 105,463,892 Equity Shares of face value ₹10 each aggregating up to ₹ [●] million, being offered in the Offer for Sale by the Selling Shareholders including up to 68,739,034 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] million by Avenue India Resurgence Pte. Ltd., up to 19,445,000 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] million by State Bank of India, up to 16,244,858 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million by Lathe Investment Pte. Ltd. and up to 1,035,000 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] million by The Federal Bank Limited
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (*i.e.,* the Floor Price) and the maximum price of ₹ [●] per Equity Share (*i.e.*, the Cap Price), including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price The Price Band and the minimum Bid Lot for the Offer will be decided by our Company, in consultation with the BRLMs, and subject to applicable law, shall be notified in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi also being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, with the relevant financial ratios calculated at the Floor Price and Cap Price, at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Company, in consultation with the BRLMs, shall finalise the Offer Price
Prospectus	The prospectus for the Offer to be filed with the RoC on or after the Pricing Date in accordance with the provisions of Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations, and containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account(s)	'No-lien' and 'non-interest-bearing' bank account(s) opened in accordance with Section 40(3) of the Companies Act, 2013, with the Public Offer Account Bank(s) to receive money from the Escrow Account(s) and the ASBA Accounts maintained with the SCSBs on the Designated Date
Public Offer Account Bank(s)	The bank(s) which are clearing members and registered with the SEBI as a banker to an issue under the SEBI BTI Regulations, with which the Public Offer Account(s) shall be opened for collection of Bid Amounts from the Escrow Account and ASBA Accounts on the Designated Date, in this case, being [●]
QIB Portion	The portion of the Offer (including Anchor Investor Portion) being not more than 50% of the Offer comprising [●] Equity Shares, which shall be available for allocation on a proportionate basis to QIBs (including Anchor Investor Portion in which allocation shall be on a discretionary basis, as determined by our Company, in consultation with the BRLMs up to a limit of 60% of the QIB Portion), subject to valid Bids being received at or above the Offer Price or the Anchor Investor Offer Price, as applicable
"Qualified Institutional Buyer(s)" or "QIB Bidders" or "QIBs"	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
"Red Herring Prospectus" or "RHP"	The red herring prospectus for the Offer to be issued by our Company in accordance with Section 32 of the Companies Act and the provisions of the SEBI ICDR Regulations which will not have complete particulars of the Offer Price and size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Offer Opening

Term	Description
	Date and will become the Prospectus after filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto
Refund Account(s)	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank from which refunds, if any, of the whole or part of the Bid Amount shall be made to Anchor Investors
Refund Bank(s)	The bank(s) which are a clearing member registered with SEBI under the SEBI BTI Regulations, with whom the Refund Account(s) will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992 and the Stock Exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of SEBI ICDR Master Circular issued by SEBI
Registrar Agreement	The agreement dated August 1, 2025 entered into among our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
"Registrar and Share Transfer Agents" or "RTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids from relevant Bidders at the Designated RTA Locations in terms of the SEBI RTA Master Circular and as per the list available on the websites of BSE and NSE, and the UPI Circulars
"Registrar to the Offer" or "Registrar"	MUFG Intime India Private Limited (*Formerly Link Intime India Private Limited*)
Resident Indian	A person resident in India, as defined under FEMA
"Retail Individual Bidders" or "RIBs" or "RII" or "Retail Individual Investors"	Individual Bidders who have Bid for Equity Shares for an amount of not more than ₹ 0.20 million in any of the bidding options in the Offer (including HUFs applying through the *karta* and Eligible NRIs)
Retail Portion	The portion of the Offer, being not less than 35% of the Offer being not less than [●] Equity Shares of face value of ₹10 each, available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in their Bid cum Application Forms or any previous Revision Forms. QIBs and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of the quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders Bidding in the Retail Portion (subject to the Bid Amount being up to ₹0.20 million) can revise their Bids during the Bid/Offer Period and can withdraw their Bids until the Bid/Offer Closing Date
SCORES	Securities and Exchange Board of India Complaints Redress System
"Self-Certified Syndicate Banks" or "SCSBs"	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=3 4 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=3 5, as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=4 0, or such other website as may be prescribed by SEBI from time to time. In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time. In accordance with SEBI RTA Master Circular, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI. A list of SCSBs and mobile applications, which, are live for applying in public issues using UPI Mechanism is provided in the list available on the website of SEBI at (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=4 0) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=4 3) respectively, as updated from time to time
Share Escrow Agent	Share escrow agent appointed pursuant to the Share Escrow Agreement, namely, [●]
Share Escrow Agreement	The agreement to be entered into among the our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the respective portion of the Offered Shares by each Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees in accordance with Basis of Allotment
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from the Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Sponsor Bank(s)	Bank(s) registered with SEBI which will be appointed by our Company to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and/or payment instructions of the UPI Bidders into the UPI, in this case being [●]

Term	Description
Stock Exchanges	Together, BSE and NSE
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the Book Running Lead Managers and the Syndicate Members, to collect ASBA Forms and Revision Forms
"Syndicate" or "members of the Syndicate"	Collectively, the BRLMs and the Syndicate Members
Syndicate Agreement	The agreement to be entered into among our Company, the Selling Shareholders, BRLMs, the Syndicate Members, and the Registrar to the Offer in relation to the collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Intermediaries (other than the Book Running Lead Managers) registered with SEBI and permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter, in this case being [●]
Underwriters	[●]
Underwriting Agreement	The agreement to be entered into among our Company, the Selling Shareholders, BRLMs, Syndicate Members, Registrar to the Offer and the Underwriters, on or after the Pricing Date but before filing of the Prospectus with the RoC.
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI
UPI Bidder(s)	Collectively, individual investors applying as (i) Retail Individual Bidders, in the Retail Portion, and (ii) Non-Institutional Bidders with an application size of up to ₹0.50 million in the Non-Institutional Portion Pursuant to the SEBI ICDR Master Circular issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹0.50 million shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, (*to the extent this circular is not rescinded by the SEBI RTA Master Circular*) SEBI ICDR Master Circular, SEBI RTA Master Circular (to the extent it pertains to UPI), along with the circulars issued by the National Stock Exchange of India Limited having reference no. 23/2022 dated July 22, 2022 and reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220722-30 dated July 22, 2022 reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard
UPI ID	An ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of a SMS directing the UPI Bidder to such UPI mobile application) to the UPI Bidders initiated by the Sponsor Bank(s) to authorise blocking of funds in the relevant ASBA Account through the UPI mobile application equivalent to the Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by a UPI Bidder in accordance with the UPI Circulars to make an ASBA Bid in the Offer
UPI PIN	Password to authenticate UPI transaction
Working Day(s)	All days on which commercial banks in Mumbai, India are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. In respect of the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays in India, as per circulars issued by SEBI, including the UPI Circulars

Technical/ Industry and business-related terms

Term(s)	Description
AI	Artificial intelligence
AML	Anti money laundering
AUM	Assets under management
ARC	Asset reconstruction company
CERSAI	Central Registry of Securitisation Asset Reconstruction and Security Interest
Collection Agents	Third-party service providers engaged to collect outstanding dues from borrowers on our behalf.
CIC	Credit information companies
CIRP	Corporate insolvency resolution proceedings
Corporate Loans	A corporate loan is a loan acquired pertaining to a corporate entity or business organization (such as a private limited company, public limited company, LLP, partnership firm or proprietorship firm) to meet its business-related financial needs.
DRT	Debt Recovery Tribunal
EoI	Expression of interest
FATF	Financial Action Task Force

Term(s)	Description
FI	Financial institution
IBC	Insolvency and Bankruptcy Code, 2016
IRR	Internal rate of return
IVR	Interactive voice response
KYC	Know your customer
"KPI" or "Key Performance Indicators"	The key performance indicators which have been used historically by our Company to understand and analyse our business performance, which in result, help us in analysing the growth of business in comparison to our peers. For further details, see "*Basis for Offer Price*" and "*Our Business*" sections beginning on pages 107 and 165
LCEoI	Limited circulation expression of interest
MFI	Microfinance institutions
NAV	Net asset value
NBFC	Non-banking financial company
NBFC-MFI	Non-banking financial company microfinance institutions
NCLT	National Company Law Tribunal
Net Owned Fund	Net owned fund (NOF) refers to the aggregate value of the owned capital of an asset reconstruction company, after making specific deductions as prescribed by the RBI.
PEP	Politically exposed person
QBs/ Qualified Buyers	Qualified Buyer (QB) is a category of entities eligible to buy security receipts (SRs) issued by asset reconstruction companies.
QR	Quick response
Registered Valuers	A Registered valuer is a qualified professional who is registered with the Insolvency and Bankruptcy Board of India (IBBI) under the Companies (Registered Valuers and Valuation) Rules, 2017, and is authorized to carry out valuation of assets, liabilities, or businesses as required under applicable laws in India.
Retail Loans	Retail loan refers to a loan acquired under retail portfolios sold by banks and financial institutions.
RBI	Reserve Bank of India
RBI Master Directions	Master Direction – Reserve Bank of India (Asset Reconstruction Companies) Directions, 2024, as amended
RR	Recovery rating
SARFAESI Act	Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
UPI	Unified Payments Interface

Conventional Terms/Abbreviations

Term	Description
AGM	Annual general meeting
"Alternative Investment Funds" or "AIFs"	Alternative investment funds as defined in, and registered under the SEBI AIF Regulations
"ARC Master Directions"	Master Direction – Reserve Bank of India (Asset Reconstruction Companies) Directions, 2024
AS / Accounting Standards	Accounting standards issued by the ICAI
BSE	BSE Limited
CAGR	Compounded annual growth rate
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF
Category I FPIs	FPIs registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF
Category II FPIs	FPIs registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act, 1956	The Companies Act, 1956, read with the rules, regulations, clarifications and modifications notified thereunder
"Companies Act" or "Companies Act, 2013"	The Companies Act, 2013, read with the rules, regulations, clarifications and amendments notified thereunder
Consolidated FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT under DPIIT File Number 5(2)/2020-FDI Policy dated October 15, 2020, effective from October 15, 2020 issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
CSR	Corporate social responsibility
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996, as amended
"DP" or "Depository Participant"	A depository participant as defined under the Depositories Act
DIN	Director identification number
DP ID	Depository Participant's identity number

Term	Description
DPIIT	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
EBITDA	Earnings before interest, tax, depreciation and amortization and is calculated as the restated profit for the period/year, adjusted to exclude (i) depreciation and amortization expenses; (ii) finance costs; and (iii) income tax expense
EGM	Extraordinary general meeting
EPS	Earnings per share
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, as amended, read with rules and regulations notified thereunder
"FEMA Non-debt Instruments Rules" or the "NDI Rules"	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued by the Ministry of Finance, Government of India
"Financial Year" or "Fiscal(s)" or "Fiscal Year" or "FY"	The period of 12 months ending March 31 of that particular Calendar Year
FPIs	Foreign portfolio investor(s) as defined in, and registered with SEBI under the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Fugitive Economic Offender	Fugitive economic offender as defined under Regulation 2(1)(p) of the SEBI ICDR Regulations
FVCI	Foreign Venture Capital Investors (as defined under the SEBI FVCI Regulations) registered with SEBI
GAAP	Generally accepted accounting principles
GAAR	General anti-avoidance rules
GDP	Gross domestic product
"Government of India" or "Central Government" or "GoI"	The government of India
GST	Goods and Services Tax
HUF(s)	Hindu undivided family(ies)
ICAI	The Institute of Chartered Accountants of India
IFRS	International financial reporting standards by International Accounting Standards Board
Income Tax Act	Income-tax Act, 1961, as amended
Ind AS	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013, as amended
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016, as amended
"INR" or "Rupee" or "₹" or "Rs."	Indian Rupee, the official currency of the Republic of India
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian standard time
IT Act	The Information Technology Act, 2000
MCA	Ministry of Corporate Affairs, Government of India
MSME	Micro, Small and Medium Enterprises
Mutual Fund(s)	Mutual funds registered under the SEBI (Mutual Funds) Regulations, 1996
"N.A." or "NA"	Not applicable
NACH	National Automated Clearing House
NCLT	National Company Law Tribunal
NEFT	National electronic fund transfer
NPCI	National Payments Corporation of India
"NR" or "Non-resident"	A person resident outside India, as defined under the FEMA, including Eligible NRIs, FPIs and FVCIs registered with the SEBI
NRE Account	Non-resident external account
NRI	A person resident outside India, as defined under FEMA
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
p.a.	Per annum
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the Income Tax Act
PAT	Profit after tax
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoNW	Return on net worth which is the restated profit for the year divided by the net worth

Term	Description
RTGS	Real time gross settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SARFAESI Act, 2002	The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SMS	Short message service
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI ICDR Master Circular	SEBI master circular bearing reference number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154, dated November 11, 2024
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Merchant Banker Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI RTA Master Circular	SEBI master circular bearing number SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employees Benefits and Sweat Equity) Regulations, 2021, as amended
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed pursuant to the SEBI AIF Regulations
State(s)	States of India
STT	Securities transaction tax
Systemically Important NBFCs	Systemically important non-banking financial company registered with the RBI and as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Stock Exchanges	The BSE and the NSE
TAN	Tax deduction and collection account number
US /U.S. / USA / United States	United States of America
U.S. GAAP	Generally accepted accounting principles in the United State of America
U.S. Investment Company Act	U.S. Investment Company Act of 1940, as amended
U.S. Securities Act	U.S. Securities Act of 1933, as amended
“US$” or “USD” or “US Dollar”	United States Dollar, the official currency of the United States of America
VCFs	Venture capital funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
“Calendar Year”	Unless the context otherwise requires, shall mean the twelve-month period ending December 31

Key Performance Indicators *(as defined in the “Basis for Offer Price” and “Our Business” sections)*

Sr. No.	KPI	Description
Business and Operational KPIs		
1.	Total Acquisition for the year	Total Acquisition for the year is the value of total purchase consideration paid for the acquisition of stressed assets during the year. This amount is equivalent to the value of SRs issued by the trusts managed by us during the year.
2.	Company’s Share in Total Acquisition for the year	Company’s share in Total Acquisition for the year is the investment made by Company in the SRs issued by the trusts managed by our Company for the relevant year
3.	Company’s Share in Total Acquisition for the year as % of Total Acquisition for the year	Company’s share in Total Acquisition for the year is the investment made by Company in the SRs Issued by the trusts managed by our company for the relevant year divided by the Total Acquisition for the year
4.	Total AUM	Total Assets under management (AUM) comprise of SRs outstanding of all trusts managed by our Company as on the last day of the year.
5.	Company’s share in Total AUM	Company’s share in Total AUM represents our Company’s outstanding investment in the Total AUM

Sr. No.	KPI	Description
6.	Company's share % of Total AUM	Company's share % of Total AUM represents our Company's outstanding investment in the Total AUM divided by the Total AUM
7.	Collection (or) Recovery for the year	Collection (or) recovery for the year is the value of amount collected (or) recovered from the borrowers against the AUM managed by our Company during the year
8.	Total Acquisition or Cumulative SR Issued	Total Acquisition or Cumulative SRs issued is the value of total SRs issued by the trusts managed by us since inception till as of the last day of the relevant year
9.	SR Redemption for the year	SR Redemption for the year is the value of SRs redeemed by the trusts managed by our Company during the year
10.	Cumulative SR Redemption	Cumulative SR Redemption is the value of SRs redeemed by the trust managed by our Company since inception till as on the last day of the relevant year
11.	Cumulative SR Redemption Ratio	Cumulative SR Redemption Ratio is cumulative SRs redeemed by the trusts managed by our Company till last day of the relevant year divided by Cumulative SRs issued by the trust managed by our Company till last day of the relevant year
Restated Standalone Financial Information		
12.	Total Revenue from Operations	Total Revenue from Operations includes revenue generated from the management and resolution of stressed assets acquired from banks and financial institutions as reported in the annual report / Financial Results of our Company, which may include fee & other income, other operating income (investment income), write-backs, fair value gain and interest income
13.	Profit After Tax	Profit after tax is the total of income less expenses (including tax expense), excluding the components of other comprehensive income. Profit after tax for the relevant Fiscal/ period attributable to owners of our Company is reported in the annual report / financial statements for the relevant Fiscal/ period.
14.	Return on Average Total Assets	Return on Average Total Assets is calculated by dividing profit for the relevant year divided by average Total Assets. Average Total Assets represents the simple average of Total Assets as of the last day of the relevant year and as of the last day of preceding year
15.	Net worth	Net worth means the aggregate value of the paid - up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write - back of depreciation and amalgamation. Net worth is calculated as equity share capital plus Instrument entirely equity in nature plus other equity
16.	Debt to Equity Ratio	Debt-equity Ratio is calculated by dividing total debt (including both current and non-current borrowings) by net worth of our Company
17.	Return on Average Equity	Return on Average Equity is calculated by dividing restated profit for the period divided by average net worth. Average Net Worth represents the simple average of net worth as of the last day of the relevant year and as of the last day of the preceding year
18.	Net Owned Funds	Net Owned Funds is calculated by adjusting the net worth for impairment, fair value losses and any intangibles
19.	CRAR	Capital adequacy ratio or capital to risk weighted assets ratio (CRAR) is computed by dividing our Tier I and Tier II capital by risk weighted assets (CRAR) (%) is computed in accordance with the relevant RBI guidelines)
Restated Consolidated Financial Information		
20.	Total Revenue from Operations	Total Revenue from Operations includes revenue generated from the management and resolution of stressed assets acquired from banks and financial institutions as reported in the Annual report / Financial Results of our Company, which may include fee & other income, other operating income (investment income), write-backs, fair value gain and interest income
21.	Profit After Tax Attributable to our Company	Profit after tax is the total of income less expenses (including tax expense), excluding the components of other comprehensive income. Profit after tax for the relevant Fiscal/ period attributable to owners of our Company is reported in the annual report / financial statements for the relevant Fiscal/ period.
22.	Return on Average Total Assets	Return on average total assets is calculated by dividing profit attributable to our Company for the relevant year divided by average total assets. Average total assets represent the simple average of total assets as of the last day of the relevant year and as of the last day of preceding year
23.	Net worth	Net worth means the aggregate value of the paid - up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write - back of depreciation and amalgamation. Net worth is calculated as equity share capital plus Instrument entirely equity in nature plus other equity.

Sr. No.	KPI	Description
24.	Debt to Equity Ratio	Debt-equity ratio is calculated by dividing total debt (including both current and non-current borrowings) by net worth of our Company
25.	Return on Average Equity	Return on Average Equity is calculated by dividing restated profit attributable to our Company for the period divided by average net worth. Average Net Worth represents the simple average of net worth as of the last day of the relevant year and as of the last day of the preceding year

OFFER DOCUMENT SUMMARY

The following is a general summary of certain disclosures and terms of the Offer included in this Draft Red Herring Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Draft Red Herring Prospectus or the Red Herring Prospectus or the Prospectus when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the detailed information appearing elsewhere in this Draft Red Herring Prospectus, including "Risk Factors", "The Offer", "Capital Structure", "Objects of the Offer", "Industry Overview", "Our Business", "Our Promoter and Promoter Group", "Financial Information", "Outstanding Litigation and Material Developments", "Offer Procedure" and "Description of Equity Shares and Terms of the Articles of Association" on pages 40, 71, 91, 105, 121, 165, 231, 248, 414, 459 and 479*, respectively.*

Summary of the primary business of our Company

We are an asset reconstruction company ("**ARC**") operating across India and are engaged in the business of acquiring stressed assets from banks and financial institutions and implementing resolution strategies aimed at maximizing recovery and optimizing the value of such stressed assets in order to generate revenue streams. We are pioneers in the asset reconstruction industry since we were the first ARC to be incorporated in India *(Source: CRISIL Report)* having obtained our certificate of registration to commence our operations on August 29, 2003 from the Reserve Bank of India ("**RBI**"). We were the second most profitable ARC in India during Fiscal 2024 with a profit for the year of ₹ 3,053.41 million on a standalone basis and were the second largest ARC in India in terms of assets under management ("**AUM**") with an AUM of ₹ 152,300.31 million, as of March 31, 2024. *(Source: CRISIL Report)* We also had the second largest net worth among private ARCs in India with a net worth of ₹ 24,625.11 million on a standalone basis, as of March 31, 2024. *(Source: CRISIL Report)*

For further details, please see section titled "*Our Business*" on page 165.

Summary of the industry in which our Company operates

The NPAs for retail credit was approximately ₹ 1.5 trillion, as of March 31, 2025. The total stress under the retail segment in banks and NBFCs has increased from ₹ 3,469.5 billion in Fiscal 2020 to ₹ 6,924.5 billion in Fiscal 2025 at a CAGR of 14.8%. *(Source: CRISIL Report)* The NPAs for MSME credit were approximately ₹ 1.46 trillion, as of March 31, 2024. The overall stress in the MSME segment has grown at a CAGR of approximately 11.1% over the last two Fiscals from approximately ₹ 6.8 trillion as of March 31, 2022 to approximately ₹ 8.4 trillion as of March 31, 2024. The overall stress under the corporate segment is approximately ₹ 6.5 trillion as of March 31, 2024. The overall stress under the corporate segment in banks and NBFCs has decreased at a CAGR of 2.8% from ₹ 6,896.1 billion in Fiscal 2022 to ₹ 6,512.2 billion in Fiscal 2024. *(Source: CRISIL Report)*

For further details, please see section titled "*Industry Overview*" on page 121.

Name of our Promoters

Our Promoters are Avenue India Resurgence Pte. Ltd. and State Bank of India. For details, see "*Our Promoters and Promoter Group*" on page 231. As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 291,383,245 Equity Shares of face value of ₹10 each, aggregating to 89.68% of our pre-Offer issued, subscribed and paid-up capital.

Offer Size

The Offer comprises an Offer for Sale of up to 105,463,892 Equity Shares of face value of ₹10 each for cash at price of ₹ [●] per Equity Share (including a share premium of [●] per Equity Share) aggregating up to ₹ [●] million by the Selling Shareholders, details of whom are set out below:

S. No.	Name of the Selling Shareholder	Equity Shares offered (1) (2)
Promoter Selling Shareholders		
1.	Avenue India Resurgence Pte. Ltd.	Up to 68,739,034 Equity Shares of face value ₹10 each aggregating up to ₹ [●] million
2.	State Bank of India	Up to 19,445,000 Equity Shares of face value ₹10 each aggregating up to ₹ [●] million
Investor Selling Shareholder		
3.	Lathe Investment Pte. Ltd.	Up to 16,244,858 Equity Shares of face value ₹10 each aggregating up to ₹ [●] million
Other Selling Shareholder		
4.	The Federal Bank Limited	Up to 1,035,000 Equity Shares of face value ₹10 each aggregating up to ₹ [●] million

(1) *The Offer has been authorised by a resolution of our Board of Directors at their meeting held on July 30, 2025.*

(2) *Our Board has taken on record the consent of each of the Selling Shareholders to severally and not jointly participate in the Offer for Sale pursuant to its resolution dated July 30, 2025. Each of the Selling Shareholders has, severally and not jointly, authorised its respective participation in the Offer for Sale to the extent of its respective portion of the Offered Shares, as set out below:*

Selling Shareholders	*Aggregate number of Equity Shares being offered in the Offer for Sale*	*Date of corporate approval/ authorisation*	*Date of consent letter*
Avenue India Resurgence Pte. Ltd.	*Up to 68,739,034 Equity Shares of face value of ₹10 each*	*June 5, 2025*	*July 28, 2025*
State Bank of India	*Up to 19,445,000 Equity Shares of face value of ₹10 each*	*June 24, 2025*	*July 29, 2025*
Lathe Investment Pte. Ltd.	*Up to 16,244,858 Equity Shares of face value of ₹10 each*	*May 19, 2025*	*July 29, 2025*

Selling Shareholders	*Aggregate number of Equity Shares being offered in the Offer for Sale*	*Date of corporate approval/ authorisation*	*Date of consent letter*
The Federal Bank Limited	*Up to 1,035,000 Equity Shares of face value of ₹10 each*	*June 20, 2025*	*July 28, 2025*

Further, each Selling Shareholder, has severally and not jointly, confirmed that its respective portion of the Offered Shares have been held by them, for a period of at least one year prior to filing of this Draft Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations. For further details, see "Other Regulatory and Statutory Disclosures" on page 433.

The Offer shall constitute [●] %, of the post-Offer paid up Equity Share capital of our Company. For further details, see "*The Offer*" and "*Offer Structure*" on pages 71 and 456, respectively.

Objects of the Offer

The Selling Shareholders will be entitled to the entire proceeds of the Offer after deducting their respective portion of the Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer. The objects of the Offer are to (i) achieve the benefits of listing the Equity Shares on the Stock Exchanges and (ii) carry out the Offer for Sale of up to 105,463,892 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million by the Selling Shareholders. Further, our Company expects that the proposed listing of its Equity Shares will enhance our visibility and provide a public market for the Equity Shares in India. For further details, see "*Objects of the Offer*" on page 105.

Aggregate pre-Offer and post-Offer shareholding of our Promoters (also the Promoter Selling Shareholders), members of the Promoter Group, Investor Selling Shareholder and the Other Selling Shareholder as a percentage of the paid-up Equity Share capital of our Company

The aggregate pre-Offer and post-Offer shareholding of our Promoters (also the Promoter Selling Shareholders), members of our Promoter Group, Investor Selling Shareholder and the Other Selling Shareholder as a percentage of the pre-Offer paid-up Equity Share capital of our Company is set out below:

Name of the Shareholder	**Pre-Offer**		**Post-Offer**	
	Number of Equity Shares of face value of ₹10 each held	**Percentage of the paid-up Equity Share capital (%)**	**Number of Equity Shares of face value of ₹10 each^^#**	**Percentage of the paid-up Equity Share capital (%)^^#**
Promoters				
Avenue India Resurgence Pte. Ltd.**	226,566,265	69.73	[●]	[●]
State Bank of India**	64,816,980	19.95	[●]	[●]
Total (A)	**291,383,245**	**89.68**	[●]	[●]
Promoter Group (other than the Promoters)				
Nil$	-	-	-	-
Total (B)	-	-	-	-
Investor Selling Shareholder				
Lathe Investment Pte. Ltd.	16,244,858	5.00	[●]	[●]
Other Selling Shareholder				
The Federal Bank Limited	4,139,300	1.27	[●]	[●]
Total (C)	**20,384,158**	**6.27**	[●]	[●]
Total (A + B + C)	**311,767,403**	**95.95**	[●]	[●]

^^ *Subject to completion of the Offer and finalization of the Basis of Allotment.*
# *To be updated at the Prospectus stage.*
** *Also, Promoter Selling Shareholders.*
$ *There are no members of the Promoter Group who hold Equity Shares in our Company.*

For further details, see "*Capital Structure*" on page 91.

Pre-Offer shareholding as on date of this Draft Red Herring Prospectus for Promoters, members of our Promoter Group and additional top 10 Shareholders of the Company

The Pre-Offer shareholding as on date of this Draft Red Herring Prospectus for Promoters, members of our Promoter Group and additional top 10 Shareholders of the Company is set out below

S. No.	**Name of Shareholders**	**Pre-Offer shareholding as at the date of the DRHP***		**Post-Offer shareholding as at Allotment (2)^**			
		Number of Equity Shares of face value of ₹ 10 each	**Shareholding (in %)**	**At the lower end of the price band (₹[●])**		**At the upper end of the price band (₹[●])**	
				Number of Equity Shares of face value of ₹ 10 each (1)	**Shareholding (in%)(1)**	**Number of Equity Shares of face value of ₹ 10 each (1)**	**Shareholding (in %)(1)**
Promoters							
1.	Avenue India Resurgence Pte. Ltd.**	226,566,265	69.73%	[●]	[●]%	[●]	[●]%

S. No.	Name of Shareholders	Pre-Offer shareholding as at the date of the DRHP*		Post-Offer shareholding as at Allotment (2)^			
		Number of Equity Shares of face value of ₹ 10 each	Shareholding (in %)	At the lower end of the price band (₹[●])		At the upper end of the price band (₹[●])	
				Number of Equity Shares of face value of ₹ 10 each (1)	Shareholding (in%)(1)	Number of Equity Shares of face value of ₹ 10 each (1)	Shareholding (in %)(1)
2.	State Bank of India**	64,816,980	19.95%	[●]	[●]%	[●]	[●]%
Promoter Group (other than the Promoters)							
1.	Nil$	-	-	[●]	[●]%	[●]	[●]%
Additional top 10 shareholders							
1.	Lathe Investment Pte. Ltd.	16,244,858	5.00%	[●]	[●]%	[●]	[●]%
2.	Karnataka Bank Limited	8,562,600	2.64%	[●]	[●]%	[●]	[●]%
3.	The South Indian Bank Limited	4,139,300	1.27%	[●]	[●]%	[●]	[●]%
4.	The Federal Bank Limited	4,139,300	1.27%	[●]	[●]%	[●]	[●]%
5.	Sudhamoy Khasnobis	100,554	0.03%	[●]	[●]%	[●]	[●]%
6.	Mudalageeri Sudhendranath	60,000	0.02%	[●]	[●]%	[●]	[●]%
7.	Mihir Dilip Nanavati	37,855	0.01%	[●]	[●]%	[●]	[●]%
8.	S V Venkatakrishnan	35,759	0.01%	[●]	[●]%	[●]	[●]%
9.	Gurudas Saha	32,476	0.01%	[●]	[●]%	[●]	[●]%
10.	Progressive Star Finance Private Limited	23,000	0.01%	[●]	[●]%	[●]	[●]%

* *The pre-Offer shareholding as on date of the price band advertisement shall be updated in the Prospectus.*
** *Also, Promoter Selling Shareholders.*
$ *There are no members of the Promoter Group who hold Equity Shares in our Company.*
^ *Assuming full subscription in the Offer. The post-Offer shareholding details as at Allotment will be based on the actual subscription and the Offer Price and updated in the Prospectus, subject to finalization of the Basis of Allotment. Also, this table assumes there is no transfer of shares by these Shareholders between the date of the price band advertisement and Allotment (if any such transfers occur prior to the date of Prospectus, it will be updated in the shareholding pattern in the Prospectus).*

Notes:
1) *Includes all options that have been exercised until date of prospectus and any transfers of equity shares by existing Shareholders after the date of the Pre-offer and price band advertisement until date of Prospectus.*
2) *Based on the Offer Price of ₹[●]. Subject to finalization of the Basis of Allotment and to be updated at Prospectus stage.*

For further details, see "*Capital Structure*" on page 91.

Summary of selected financial information derived from our Restated Standalone Financial Information

Summary of selected financial information as set out under the SEBI ICDR Regulations as at and for the Fiscals ended March 31, 2025, March 31, 2024, and March 31, 2023, as derived from our Restated Standalone Financial Information is as follows:

(in ₹ million, except per share data)

Particulars	As at and for the Fiscal ended March 31, 2025	As at and for the Fiscal ended March 31, 2024	As at and for the Fiscal ended March 31, 2023
Equity Share capital	3,248.97	3,248.97	3,248.97
Net worth(1)	27,677.98	24,625.11	22,397.43
Total Income	6,233.99	5,741.06	7,537.11
Restated profit/(loss) for the period/year	3,553.19	3,053.41	2,391.24
Earnings per share (in ₹/share)			
- Basic(2)	10.94	9.40	7.36
- Diluted(2)	10.94	9.40	7.36
Net asset value per share (in ₹/share) (3)	85.19	75.79	68.94
Total borrowings(4)	3,059.86	1,499.47	1,180.13

Notes:
(1) *Net worth of the Company means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*
(2) *Basic and Diluted EPS are computed in accordance with Indian Accounting Standard (Ind AS) 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended). Basic earnings per equity share is computed by dividing net profit after tax attributable to the equity shareholders for the period/year by the weighted average number of equity shares outstanding during the period/ year. Diluted earnings per equity share is computed and disclosed by dividing the net profit after tax attributable to the equity shareholders for the period/ year after giving impact of dilutive potential equity shares for the period/ year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the period/ year.*
(3) *Net Asset Value Per Share is calculated as Net Worth as at the end of the relevant period/year divided by the aggregate of total number of equity shares and instruments entirely equity in nature outstanding at the end of such period/year.*
(4) *Total borrowings include both current and non-current borrowings and interest accrued but not due as of the relevant period/ year.*

For further details, see "*Restated Financial Information - Restated Standalone Financial Information*" and "*Other Financial Information*" on pages 249 and 366, respectively.

Summary of selected financial information derived from our Restated Consolidated Financial Information

Summary of selected financial information as set out under the SEBI ICDR Regulations as at and for the Fiscals ended March 31, 2025, March 31, 2024, and March 31, 2023, as derived from our Restated Consolidated Financial Information is as follows:

(in ₹ million, except per share data)

Particulars	As at and for the Fiscal ended March 31, 2025	As at and for the Fiscal ended March 31, 2024	As at and for the Fiscal ended March 31, 2023
Equity Share capital	3,248.97	3,248.97	3,248.97
Net worth (1)	26,631.41	24,265.14	22,441.56
Total Income	6,078.37	6,094.89	8,126.67
Restated profit/(loss) for the period/year	3,092.39	3,108.87	3,039.40
Earnings per share (in ₹/share)			
- Basic(2)	10.14	10.17	8.82
- Diluted(2)	10.14	10.17	8.82
Net asset value per share (in ₹/share)(3)	81.97	74.69	69.07
Total borrowings(4)	3,059.86	1,499.47	1,180.13

Notes:

(1) Net worth of the Company means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

(2) Basic and Diluted EPS are computed in accordance with Indian Accounting Standard (Ind AS) 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended). Basic earnings per equity share is computed by dividing net profit after tax attributable to the equity shareholders for the period/year by the weighted average number of equity shares outstanding during the period/ year. Diluted earnings per equity share is computed and disclosed by dividing the net profit after tax attributable to the equity shareholders for the period/ year after giving impact of dilutive potential equity shares for the period/ year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the period/ year.

(3) Net Asset Value Per Share is calculated as Net Worth as at the end of the relevant period/year divided by the aggregate of total number of equity shares and instruments entirely equity in nature outstanding at the end of such period/year.

(4) Total borrowings include both current and non-current borrowings and interest accrued but not due as of the relevant period/ year.

For further details, see "*Restated Financial Information - Restated Consolidated Financial Information*" and "*Other Financial Information*" on pages 297 and 366, respectively.

Qualifications of the Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Information

There are no auditor qualifications that have not been given effect to in the Restated Consolidated Financial Information.

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, Subsidiaries, Directors, Promoters, Key Managerial Personnel and Senior Management in accordance with the SEBI ICDR Regulations and the Materiality Policy, as of the date of this Draft Red Herring Prospectus is disclosed below:

Category of individuals/ entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters in the last five Financial Years, including outstanding action	Material civil litigation	Aggregate amount involved (in ₹ million)$
Company						
By our Company	Nil	Nil	NA	NA	Nil	Nil
Against our Company	4	1	Nil	NA	Nil	561.01
Subsidiaries#						
By the Subsidiaries	5	NA	NA	NA	52	65,234.55
Against the Subsidiaries	Nil	Nil	Nil	NA	Nil	Nil
Directors						
By the Directors	Nil	NA	NA	NA	Nil	Nil
Against the Directors	1*	1	Nil	NA	1	Nil
Promoters						
By the Promoters	4,519@	NA	NA	NA	3	2,963.8
Against the Promoters	Nil@	545	Nil	Nil	3	1,028,310.43

Category of individuals/ entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters in the last five Financial Years, including outstanding action	Material civil litigation	Aggregate amount involved (in ₹ million)$
Key Managerial Personnel						
By the Key Managerial Personnel	Nil	NA	NA	NA	NA	Nil
Against the Key Managerial Personnel	1**	Nil	Nil	NA	NA	Nil
Senior Management						
By the Senior Management	Nil	NA	NA	NA	NA	Nil
Against the Senior Management	Nil	Nil	Nil	NA	NA	Nil

$ *To the extent quantifiable*

* *Excluding the two criminal matters involving our Director, Pallav Mohapatra and our Company.*

@ *As on the date of this DRHP, there are criminal proceedings against SBI that are pending at different levels of adjudication before various courts, tribunals, enquiry officers and appellate tribunals. For further details, see "Outstanding Litigation and Material Developments" on page 414.*

** *Excluding the matters involving our Directors.*

\# *Our Company does not have any subsidiaries as defined under the Companies Act. However, in accordance with Ind AS 110 and our accounting policies, the trusts where our outstanding investment in SRs in trusts are more than 25%, have been considered as subsidiaries in the Restated Consolidated Financial Information. Such trusts are set up by our Company for the purposes of acquisition and securitization of financial assets.*

NA means not applicable

As on the date of this Draft Red Herring Prospectus, our Company does not have any group company.

For further details, see "*Outstanding Litigation and Material Developments*" on page 414.

Risk Factors

Investors should see the section entitled "*Risk Factors"* on page 40 to have an informed view before making an investment decision. See below a list of the top 10 risk factors in relation to our Company:

Sr. No	Risk category	Description of the Risk
1.	Financial	Our revenue and profits are largely dependent on the value and composition of our AUM and any adverse change in our AUM may impact our revenue and profit.
2.	Operational	Non-compliance with RBI's observations made during any inspection could expose us to penalties and restrictions. Any imposition of penalty or adverse findings by the RBI during any future inspections or otherwise may have an adverse effect on our reputation, business, results of operations, financial condition and cash flows.
3.	Operational	We bid for stressed assets through a competitive bidding process including the Swiss challenge and anchor process. If we are unable to source and acquire a sufficient amount of stressed assets at appropriate prices, our growth, competitive position, financial condition and results of operations may be adversely affected.
4.	Operational	Our inability to recover outstanding amounts from the stressed assets we acquire and manage in a timely manner, or at all, could adversely affect our business, results of operations, financial condition or cash flows.
5.	Financial	A significant portion of our stressed assets are under our corporate loans business vertical (representing 75.48%, 78.51% and 82.70% of our AUM as of March 31, 2025, March 31, 2024, March 31, 2023, respectively). Any factors impacting stressed assets in the corporate loan vertical may have an adverse impact on our business, cash flows, financial condition and results of operations.
6.	Financial	An inability to make accurate stressed asset acquisition decisions could adversely impact our business, financial condition and cash flows.
7.	Operational	We rely significantly on our information technology systems for our business and operations. A failure, inadequacy or security breach in our information technology and telecommunication systems may adversely affect our business, results of operations, financial condition and cash flows.
8.	Operational	We may have to comply with stricter regulations and guidelines issued by regulatory authorities in India, including the RBI, which may increase our compliance costs, divert the attention of our management and subject us to penalties.
9.	Financial	Our Restated Consolidated Financial Information comprises the financial statements of our Company consolidated with those trusts which have been identified as subsidiaries and associates, in accordance with applicable accounting policies. The assets and liabilities of these trusts are distinct from our Company's assets and liabilities and are held for the benefit of the SR holders. Hence, investors must read our Restated Consolidated Financial Information together with our Restated Standalone Financial Information.
10.	Operational	If we fail to identify, monitor and manage risks and effectively implement our risk management policies, it could have an adverse effect on our business, financial condition, results of operations and cash flows.

Summary of contingent liabilities

The details of our contingent liabilities derived from the Restated Consolidated Financial Information as at March 31, 2025, as per Ind AS 37 is set forth below:

(in ₹ million)

Particulars	As at March 31, 2025
a) Guarantees excluding financial guarantees	
– Bank guarantee furnished by the Company	20.00
b) Others	
– Service Tax (Refer Note 1 below)	561.04
Total	**581.04**

Notes:

(1) Directorate General of Central Excise Intelligence (DGCEI) and Office of Principal Commissioner of Service TAX-III has issued show cause notices demanding service tax to the extent of Rs. 561.04 million (apart from interest and penalty amount) relating to the period 16.05.2008 to 30.06.2017. Subsequently, an order has also been issued by Service Tax Commissionerate III, Mumbai in April 2017 demanding an amount of Rs. 4,58.51 million relating to the period 16.05.2008 to 31.03.2015 and the penalty as per order is Rs. 402.40 million whereas interest liability has not been quantified in the said order. Another order for the period of 01.04.2015 to 30.06.2017 issued by Office of the commissioner of CGST & Central Excise, Mumbai in June 2019 demanding amount of Rs 102.53 million and the penalty as per order is Rs.10.25 million whereas interest liability has not been quantified in the said order. Based on the legal opinion, the Company is confident of getting this order quashed and there is not expected to be any liability on the same. The Company has also preferred an appeal in the Tribunal against the order.

For further details of our contingent liabilities as at March 31, 2025, see "*Restated Financial Information - Restated Consolidated Financial Information– Note 45 – Contingent Liability and Commitment*" on page 341. Also see "*Risk Factors - We have certain contingent liabilities that have been disclosed in the Restated Consolidated Financial Information (₹ 581.04 as of March 31, 2025), which if they materialize, may adversely affect our business, results of operations, financial condition and cash flows*" on page 60.

Summary of related party transactions

A summary of the related party transactions for the Fiscals ended March 31, 2025, 2024 and 2023 as per Ind AS 24 – Related Party Disclosures read with the SEBI ICDR Regulations and derived from our Restated Consolidated Financial Information is set out below:

A. Name of the party and relationship

Name of related party	Nature of relationship	Nature of transactions	For the year ended March 31, 2025		For the year ended March 31, 2024		For the year ended March 31, 2023	
			Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)
Arcil-CPS-081-I-Trust	Associate	Fee & other income	-	-	-	-	17.08	0.21
Others#	Associates	Fee & other income	40.76	0.70	52.53	0.87	16.37	0.20
Others#	Associates	Interest income	0.40	0.01	0.61	0.01	0.18	0.00
Others#	Associates	Other operating income	6.08	0.10	22.86	0.38	16.06	0.20
Arcil-CPS-081-I-Trust	Associate	Other income	-	-	0.93	0.02	-	-
Arcil Trust 2024-001	Associate	Other income	1.47	0.03	-	-	-	-
Others#	Associates	Other income	0.43	0.01	0.50	0.01	0.78	0.01
Others#	Associates	Recovery of SR, Unrealized Fee & Exp W/off earlier	2.77	0.05	0.02	0.00	5.89	0.07
Arcil-SBPS-022-IV Trust	Associate	Write-off of SR,	23.68	0.41	-	-	-	-

Name of related party	Nature of relationship	Nature of transactions	For the year ended March 31, 2025		For the year ended March 31, 2024		For the year ended March 31, 2023	
			Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)
		Unrealized Fee & Expenses						
Others#	Associates	Write-off of SR, Unrealized Fee & Expenses	1.68	0.03	0.61	0.01	5.52	0.07
Arcil-CPS-081-I-Trust	Associate	Impairment of Financial Instruments/ Financial Assets	-	-	0.50	0.01	-	-
Arcil-AST-003-IV-Trust	Associate	Impairment of Financial Instruments/ Financial Assets	-	-	-	-	0.06	0.00
Others#	Associates	Impairment of Financial Instruments/ Financial Assets	(0.42)	(0.01)	0.22	0.00	(0.08)	(0.00)
Others#	Associates	Investments Made	402.60	6.92	280.00	4.62	183.90	2.27
Others#	Associates	Redemptions	75.57	1.30	77.52	1.28	20.38	0.25
Others#	Associates	Fees & Expenses Recoverable from Trust	5.00	0.09	4.27	0.07	5.05	0.06
Others#	Associates	Investments	747.96	12.86	501.79	8.28	315.83	3.90
Avenue India Resurgence Pte Ltd	Holding Company	Dividend	339.85	5.84	566.42	9.35	194.06	2.40
Pallav Mohapatra (Chief Executive Officer & Managing Director)	KMP	Short-term employee benefit*	29.72	0.51	30.93	0.51	24.88	0.31
Mr. Pramod Gupta (Chief Financial Officer)	KMP	Short-term employee benefit*	20.59	0.35	20.75	0.34	16.59	0.20
Mr. Ameet Kela (Company Secretary)	KMP	Short-term employee benefit*	9.10	0.16	8.36	0.14	6.70	0.08
Pallav Mohapatra (Chief Executive	KMP	Post employee benefits	0.96	0.02	0.96	0.02	0.86	0.01

Name of related party	Nature of relationship	Nature of transactions	For the year ended March 31, 2025		For the year ended March 31, 2024		For the year ended March 31, 2023	
			Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)
Officer & Managing Director)								
Mr. Pramod Gupta (Chief Financial Officer)	KMP	Post employee benefits	0.79	0.01	0.79	0.01	0.66	0.01
Mr. Ameet Kela (Company Secretary)	KMP	Post employee benefits	0.29	0.01	0.29	0.00	0.17	0.00
Mr. Balachander Rajaraman	Director	Sitting Fees & Commission	1.80	0.03	1.20	0.02	-	-
Mr. Narayanan Subramaniam	Director	Sitting Fees & Commission	3.13	0.05	2.97	0.05	2.12	0.03
Mr. Pavan Pal Kaushal	Director	Sitting Fees & Commission	1.98	0.03	1.32	0.02	1.09	0.01
Mr. Pradeep Kumar Panja	Director	Sitting Fees & Commission	0.73	0.01	2.75	0.05	2.18	0.03
Ms Raksha Kothari	Director	Sitting Fees & Commission	2.30	0.04	-	-	-	-
Ms. Salee Sukumaran Nair	Director	Sitting Fees & Commission	1.07	0.02	0.51	0.01	-	-
Mr Ashok Kumar Sharma	Director	Sitting Fees & Commission	0.33	0.01	-	-	-	-
Mr. Srinivasa Rao	Director	Sitting Fees & Commission	-	-	0.52	0.01	0.56	0.01
Ms. Naina Krishna Murthy	Director	Sitting Fees & Commission	-	-	0.68	0.01	-	-
Ms. Gopika Pant	Director	Sitting Fees & Commission	-	-	-	-	1.62	0.02
Mr Shailendra Nadkarni	Directors	Sitting Fees & Commission	-	-	-	-	0.11	0.00
M/s Indian Law Partners	Firm in which Director (Ms. Gopika Pant) is a partner	Legal Fees	-	-	-	-	1.71	0.02

* *The above amount does not include gratuity provision made, as the actuarial valuation is done for company as a whole*

\# *As per IND-AS entities with less than 10% contribution are classified as others. Others include one or more of the following associates: Arcil Ast 003 IV Trust, Arcil CPS 081 I Trust, Arcil SBPS 022 II Trust, Arcil SBPS 022 III Trust, Arcil SBPS 022 IV Trust, Arcil Trust 2024-001, Arcil Retail Port 046 A-T, Arcil Retail Portfolio – 022A Trust, Arcil CPS 002 V Trust Scheme A, Arcil Trust 2025-012, Arcil Trust 2025-013, Arcil Trust 2025-018 and Arcil AST 001 VII Trust (up to 27.03.2025)*

B. Transactions eliminated due to consolidation

Name of related party	Nature of relationship	Nature of transactions	For the year ended March 31, 2025		For the year ended March 31, 2024		For the year ended March 31, 2023	
			Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)
Arcil-CPS-II-Trust	Subsidiary	Fees & Other Income	56.06	0.96	60.61	1.00	18.23	0.23
Arcil-Trust-2025-008	Subsidiary	Fees & Other Income	58.71	1.01	-	-	-	-
ARCIL-CPS-IV-Trust	Subsidiary	Fees & Other Income	145.48	2.50	169.41	2.80	-	-
Arcil-CPS-008-II-Trust	Subsidiary	Fees & Other Income	-	-	-	-	28.63	0.35
Others#	Subsidiaries	Fees & Other Income	182.86	3.14	91.94	1.52	43.41	0.54
Arcil-Retail Loan Portfolio-092-A-Trust	Subsidiary	Interest Income	1.75	0.03	-	-	-	-
Arcil-CPS-002-IX Trust	Subsidiary	Interest Income		-	35.77	0.59		-
Arcil-Uday Estates Pvt. Ltd. Trust	Subsidiary	Interest Income	-	-	10.55	0.17	-	-
Arcil-PSL II Trust	Subsidiary	Interest Income	-	-	-	-	1.81	0.02
Arcil-AST-024-II-Trust	Subsidiary	Interest Income	-	-	-	-	1.92	0.02
Arcil-AST-001-X-Trust	Subsidiary	Interest Income	-	-	-	-	4.62	0.06
Arcil-AST-IV-Trust	Subsidiary	Interest Income	-	-	-	-	2.40	0.03
Others#	Subsidiaries	Interest Income	7.20	0.12	15.52	0.26	6.29	0.08
Arcil-SBPS-041-I-Trust	Subsidiary	Other Operating Income	253.76	4.36	-	-	-	-
Arcil-JCT III Trust	Subsidiary	Other Operating Income	-	-	72.08	1.19	-	-
Arcil-AARF-II-Trust-Scheme 1	Subsidiary	Other Operating Income	-	-	95.28	1.57	-	-
Arcil-AST-003-I-Trust	Subsidiary	Other Operating Income	-	-	49.87	0.82	334.53	4.13
Arcil-AST-039-I-Trust	Subsidiary	Other Operating Income	-	-	-	-	209.25	2.59
Arcil-SBPS-008-I Trust	Subsidiary	Other Operating Income	-	-	-	-	129.08	1.60
Others#	Subsidiaries	Other Operating Income	500.12	8.60	207.76	3.43	555.79	6.87
ARCIL-CPS-IV-TRUST	Subsidiary	Other Income	1.52	0.03	-	-	-	-
Arcil-2024C-004 -Trust	Subsidiary	Other Income	1.49	0.03	-	-	-	-
Arcil-2024C-003 -Trust	Subsidiary	Other Income	1.49	0.03	-	-	-	-

Name of related party	Nature of relationship	Nature of transactions	For the year ended March 31, 2025		For the year ended March 31, 2024		For the year ended March 31, 2023	
			Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)
Arcil-Retail Loan Portfolio-092-A-Trust	Subsidiary	Other Income	1.35	0.02	-	-	-	-
Others#	Subsidiaries	Other Income	5.15	0.09	5.52	0.09	6.63	0.08
Arcil-CPS-006-III-Trust	Subsidiary	Recovery of SR, Unrealized Fee & Expenses	-	-	438.74	7.24	-	-
Arcil-CPS-002-IX Trust	Subsidiary	Recovery of SR, Unrealized Fee & Expenses	-	-	398.27	6.57	-	-
Arcil-SBPS-025-I Trust	Subsidiary	Recovery of SR, Unrealized Fee & Expenses	-	-	244.33	4.03	-	-
Arcil-AARF-II-Trust-Scheme 1	Subsidiary	Recovery of SR, Unrealized Fee & Expenses	47.52	0.82	-	-	-	-
Arcil-Vama Exports Ltd. Trust	Subsidiary	Recovery of SR, Unrealized Fee & Expenses	27.49	0.47	-	-	-	-
Arcil-Daewoo Motors India Ltd Trust	Subsidiary	Recovery of SR, Unrealized Fee & Expenses	23.59	0.41	-	-	-	-
Arcil-PSL II Trust	Subsidiary	Recovery of SR, Unrealized Fee & Expenses	-	-	-	-	175.98	2.17
Arcil-AST-IV-Trust	Subsidiary	Recovery of SR, Unrealized Fee & Expenses	-	-	-	-	118.59	1.47
Others#	Subsidiaries	Recovery of SR, Unrealized Fee & Expenses	83.24	1.43	321.59	5.31	75.51	0.93
Arcil-Kishore Dalal & Company Trust	Subsidiary	Write-off of Security Receipts, Unrealized Fee & Expenses	-	-	75.73	1.25	-	-
Arcil-Daewoo	Subsidiary	Write-off of Security Receipts,	13.61	0.23	-	-	-	-

Name of related party	Nature of relationship	Nature of transactions	For the year ended March 31, 2025		For the year ended March 31, 2024		For the year ended March 31, 2023	
			Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)
Motors India Ltd Trust		Unrealized Fee & Expenses						
Arcil-AST-001-VIII-Trust	Subsidiary	Write-off of Security Receipts, Unrealized Fee & Expenses	-	-	-	-	177.21	2.19
Arcil-AST-034-III-Trust	Subsidiary	Write-off of Security Receipts, Unrealized Fee & Expenses	-	-	-	-	163.31	2.02
Others#	Subsidiaries	Write-off of Security Receipts, Unrealized Fee & Expenses	31.20	0.54	161.72	2.67	256.54	3.17
Arcil-CPS-IV-Trust	Subsidiary	Impairment of Financial Instruments/ Financial Assets	-	-	4.86	0.08	-	-
Arcil-Retail Loan Portfolio-092-A-Trust	Subsidiary	Impairment of Financial Instruments/ Financial Assets	-	-	1.98	0.03	-	-
Arcil-SBPS 019-I Trust-Scheme B	Subsidiary	Impairment of Financial Instruments/ Financial Assets	-	-	0.51	0.01	-	-
Arcil-CPS-II-Trust	Subsidiary	Impairment of Financial Instruments/ Financial Assets	2.86	0.05	-	-	1.63	0.02
Arcil-Trust-2025-008	Subsidiary	Impairment of Financial Instruments/ Financial Assets	2.91	0.05	-	-	-	-
Arcil-Trust-2025-015	Subsidiary	Impairment of Financial Instruments/ Financial Assets	1.59	0.03	-	-	-	-
Arcil-AST-001-X-Trust	Subsidiary	Impairment of Financial Instruments/ Financial Assets	-	-	-	-	0.86	0.01
ARCIL-AST-024-II-TRUST	Subsidiary	Impairment of Financial Instruments/	-	-	-	-	0.25	0.00

Name of related party	Nature of relationship	Nature of transactions	For the year ended March 31, 2025		For the year ended March 31, 2024		For the year ended March 31, 2023	
			Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)
		Financial Assets						
Arcil-Shalimar Wires Industries Limited-IV Trust	Subsidiary	Impairment of Financial Instruments/ Financial Assets	-	-	-	-	0.14	0.00
Arcil-AST-001-XI-Trust	Subsidiary	Impairment of Financial Instruments/ Financial Assets	-	-	-	-	0.10	0.00
Arcil-SBPS-I-Trust	Subsidiary	Impairment of Financial Instruments/ Financial Assets	-	-	-	-	0.04	0.00
Others#	Subsidiaries	Impairment of Financial Instruments/ Financial Assets	2.71	0.05	(2.88)	(0.05)	(2.55)	(0.03)
Arcil-Trust-2025C-005	Subsidiary	Investments Made	970.00	16.67	-	-	-	-
Arcil-Trust-2025C-013	Subsidiary	Investments Made	1,200.00	20.63	-	-	-	-
Arcil-Trust-2025-008	Subsidiary	Investments Made	896.34	15.41	-	-	-	-
Arcil – Trust -2025C – 018	Subsidiary	Investments Made	1,100.00	18.91	-	-	-	-
ARCIL-CPS-IV-TRUST	Subsidiary	Investments Made	-	-	1,750.00	28.89	-	-
Arcil-2024C-003 -Trust	Subsidiary	Investments Made	-	-	1,493.03	24.64	-	-
Arcil-2024C-004 -Trust	Subsidiary	Investments Made	-	-	1,402.99	23.16	-	-
Arcil-AST-090-I-Trust	Subsidiary	Investments Made	-	-	1,250.00	20.63	-	-
Arcil-SBPS-I-Trust	Subsidiary	Investments Made	-	-	-	-	779.50	9.63
Arcil-SBPS 073-I Trust	Subsidiary	Investments Made	-	-	-	-	542.00	6.70
Arcil-CPS-II-Trust	Subsidiary	Investments Made	-	-	-	-	520.03	6.43
Others	Subsidiaries	Investments Made	4,086.58	70.25	1,943.56	32.08	574.82	7.10
Arcil-2024C-004 -Trust	Subsidiary	Redemption	458.57	7.88	-	-	-	-
Arcil-Trust-2025C-013	Subsidiary	Redemption	484.58	8.33	-	-	-	-
Arcil-2024C-003 -Trust	Subsidiary	Redemption	381.47	6.56	-	-	-	-
Arcil-CPS-IV-Trust	Subsidiary	Redemption	-	-	920.72	15.20	-	-
Arcil-CPS-008-II-Trust	Subsidiary	Redemption	-	-	-	-	240.19	2.97

Name of related party	Nature of relationship	Nature of transactions	For the year ended March 31, 2025		For the year ended March 31, 2024		For the year ended March 31, 2023	
			Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)
Arcil-AST-001-VIII-Trust	Subsidiary	Redemption	-	-	-	-	210.16	2.60
Others#	Subsidiaries	Redemption	2,030.04	34.90	3,041.01	50.20	1,445.91	17.87
Arcil-CPS-II-Trust	Subsidiary	Fees & expenses recoverable	49.22	0.85	14.59	0.24	-	-
Arcil-Retail Loan Portfolio-092-A-Trust	Subsidiary	Fees & expenses recoverable	-	-	23.98	0.40	-	-
ARCIL-CPS-IV-TRUST	Subsidiary	Fees & expenses recoverable	69.49	1.19	58.92	0.97	-	-
Arcil-AST-001-XI-Trust	Subsidiary	Fees & expenses recoverable		-	10.02	0.17	-	-
Arcil-Trust-2025-008	Subsidiary	Fees & expenses recoverable	35.40	0.61	-	-	-	-
Arcil-AST-001-X-Trust	Subsidiary	Fees & expenses recoverable	-	-	-	-	80.15	0.99
Arcil-AST-024-II-Trust	Subsidiary	Fees & expenses recoverable	-	-	-	-	20.66	0.26
Arcil-CPS-II-Trust	Subsidiary	Fees & expenses recoverable	-	-	-	-	20.07	0.25
Others#	Subsidiaries	Fees & expenses recoverable	93.97	1.62	(6.30)	(0.10)	20.14	0.25
				-		-		-
Arcil-AST-090-I-Trust	Subsidiary	Investments	-	-	1,510.45	24.93	-	-
Arcil-2024C-003 -Trust	Subsidiary	Investments	-	-	1,442.34	23.81	-	-
Arcil-2024C-004 -Trust	Subsidiary	Investments	-	-	1,381.58	22.80	-	-
Arcil-SBPS-I-Trust	Subsidiary	Investments	-	-	-	-	1,006.91	12.44
Arcil-SBPS 073-I Trust	Subsidiary	Investments	-	-	-	-	766.89	9.48
Others#	Subsidiaries		16,812.61	289.00	7,456.04	123.07	5,314.90	65.68

\# *As per IND-AS entities with less than 10% contribution are classified as others. Others include one or more of the following subsidiaries Arcil-Daewoo Motors India Ltd Trust, Arcil-Parasrampuria Synthetics Ltd Trust, Arcil-Precision Fastners Ltd-Trust, Arcil-Parekh Platinum Ltd. Trust, Arcil-Bellary Steels & Alloys Ltd.-II Trust, Arcil-Indo Deutsche Metallo Chemique-Trust, Arcil-Hanuman Miner Oil Ltd. Trust, Arcil-Equipment Conductor & Cables Ltd. Trust, Arcil-LSIL Trust, Arcil-PSL II Trust, Arcil-Polar Industries Limited Trust, Arcil-MVR-I Trust, Arcil-Ispat Profiles Trust, Arcil-Nath Seeds Limited Trust, Arcil-JCT II Trust, Arcil-Maridia Steel Limited-I Trust, Arcil-Maridia Steel Limited-II Trust, Arcil-Maridia Steel Limited-III Trust, Arcil-MVR-II Trust, Arcil-NPPML Trust, Arcil-PSL III Trust, Arcil-PSL IV Trust, Arcil-Kishore Dalal & Company Trust, Arcil-Kiran Overseas Exports Ltd. Trust, Arcil-Shalimar Wires Industries Limited-II Trust, Arcil-MVR-III Trust, Arcil-Bentels Corporation Limited Trust, Arcil-KOEL-I Trust, Arcil-Mafatlal Engineering Industries Ltd Trust, Arcil-Maridia Steel Limited-IV Trust, Arcil-JCT III Trust, Arcil-Shalimar Wires Industries Limited-III Trust, Arcil Mukerian Paper Ltd Trust, Arcil-Mukerian II Trust, Arcil-KOEL-II Trust, Arcil-Jhagadia Copper Limited Trust, Arcil-Polar Industries Limited-II Trust, Arcil-BPL Display Devices Limited-I Trust, Arcil - Excel Oils and Chemicals Pvt. Ltd. Trust, Arcil-International Sree Balaji Hotels Private Limited Trust, Arcil-Uday Estates Pvt. Ltd. Trust, Arcil-L. S. P. Agro Limited Trust, Arcil-The Dhar Textile Mills Ltd. Trust, Arcil-Jagat Edible Oil India Pvt. Ltd. Trust, Arcil-Vama Exports Ltd. Trust, Arcil-Golden Fries Ltd. Trust, Arcil-Esteem Estate Projects Pvt. Ltd. Trust, Arcil-AST-IV-Trust, Arcil-AST-VII-Trust, Arcil-AST-039-I-Trust, Arcil-AST-001-VI-Trust, Arcil-AST-017-I-Trust, Arcil-AST-018-I-Trust, Arcil-AST-001-IX-Trust, Arcil-AST-001-X-Trust, ARCIL-AST-001-XI-TRUST, Arcil-AST-017-V-Trust, Arcil-AST-024-I-Trust, Arcil-AST-026-I-Trust, Arcil-AST-024-II-Trust, ARCIL-AST-001-XVIII-TRUST, Arcil-AST-003-VIII-Trust, Arcil-AST-RA-001 Trust, Arcil-AST-030-II-Trust, Arcil-Trust-2025C-001, ARCIL-TRUST-2025C-005, ARCIL-TRUST-2025C-007, Arcil-Trust-2025C-015, Arcil-CPS-002-IX Trust, Arcil-CPS-012-II Trust, Arcil-*

CPS-012-I Trust, Arcil-CPS-032-I-Trust, Arcil-CPS-006-III-Trust, Arcil-CPS-003-IV Trust, Arcil-CPS-003-V Trust, Arcil-CPS-012-III-Trust, Arcil-CPS-041-I-Trust, Arcil-CPS-008-II-Trust, Arcil-CPS-II-Trust, ARCIL-CPS-IV-TRUST, ARCIL-TRUST-2025C-013, Arcil-SBPS-001-I Trust, Arcil-SBPS-001-VI Trust, Arcil-SBPS-001-VIII Trust, Arcil-SBPS-001-X Trust, Arcil-SBPS 001-XII Trust, Arcil-SBPS 021-II Trust, Arcil-SBPS 016-I Trust, Arcil-SBPS-025-I Trust, Arcil-SBPS-028-I-Trust, Arcil-SBPS-027-I Trust, Arcil-SBPS-026-II-Trust, Arcil-SBPS-002-II-Trust, Arcil-SBPS-008-I Trust, Arcil-SBPS-042-I-Trust, ARCIL-SBPS-060-I TRUST, ARCIL SBPS-041-I TRUST, ARCIL-SBPS-006-VII TRUST, Arcil-SBPS-I-Trust, ARCIL-SBPS-073-I-TRUST, Arcil-2024C-007-Trust, Arcil NHB Retail Loan Portfolio 001 Trust, Arcil-Retail Loan Portfolio-002-A Trust, Arcil-Retail Loan Portfolio-002-B Trust, Arcil-Retail Loan Portfolio-003-A Trust, Arcil-Retail Loan Portfolio-029-A-Trust, Arcil-Retail Loan Portfolio -036-A-Trust, Arcil-Retail Port-044-A-T, Arcil-Retail Port-048-A-Trust, Arcil-Retail Port-042-A-Trust, Arcil-Retail Port-032-A-Trust, Arcil-Retail Port-049-A-Trust, Arcil-Retail Port-050-A-Trust, Arcil Retail Loan Portfolio-045-B-Trust, Arcil Retail Loan Portfolio-042-B-Trust, Arcil Retail Loan Portfolio-053-A-Trust, Arcil Retail Loan Portfolio-058-B-Trust, Arcil-Retail Loan Portfolio-060-A-Trust, Arcil-Retail Loan Portfolio-061-A-Trust, Arcil-Retail Loan Portfolio-058-C-Trust, Arcil-Retail Loan Portfolio-42-D-Trust, Arcil-Retail Loan Portfolio-42-E-Trust, Arcil-Retail Loan Portfolio-042-F-Trust, Arcil-Retail Loan Portfolio-042-I-Trust, Arcil-Retail Loan Portfolio-042-H-Trust, Arcil-Retail Loan Portfolio-042-G-Trust, Arcil-Retail Loan Portfolio-029-B-Trust, Arcil-Retail-Loan-Portfolio-074-A-Trust, Arcil-Retail Loan Portfolio-074-B-Trust, Arcil-Retail Loan Portfolio-045-C-Trust, Arcil-Retail Loan Portfolio-092-A-Trust, Arcil-2024C-001 -Trust, Arcil-2024C-003 -Trust, Arcil-2024C-004 -Trust, Arcil-2024C-005 -Trust, Arcil-2024C-006 -Trust, ARCIL-TRUST-2025C-003, ARCIL-TRUST-2025C-004, ARCIL-TRUST-2025C-006, ARCIL-TRUST-2025C-008, ARCIL-TRUST-2025-005, ARCIL-TRUST-2025C-010, ARCIL-TRUST-2025C-009, Arcil-Trust-2025-008, ARCIL-TRUST-2025C-012, ARCIL-TRUST-2025C-011, ARCIL-TRUST-2025C-014, Arcil-Trust-2025-015, Arcil-Trust-2025-016, (not a Subsidiary, as on the date of this DRHP) Arcil-Trust-2025C-016, Arcil-Shalimar Wires Industries Limited-IV Trust, Arcil-CPS 002-II Trust-Scheme B, Arcil-CPS-002-VII Trust-Scheme B, Arcil-CPS-002-VII Trust-Scheme C, Arcil-CPS-002-VII Trust-Scheme D, Arcil-CPS-002-I Trust-Scheme A4, Arcil-CPS-002-I Trust-Scheme A5, Arcil-CPS-002-I Trust-Scheme A6, Arcil-CPS-002-I Trust-Scheme B1, Arcil-CPS-002-I Trust-Scheme D, Arcil-SBPS 001-IV Trust-Scheme A, Arcil-SBPS 001-IV Trust-Scheme B, Arcil-SBPS 001-III Trust-Scheme A, Arcil-SBPS 001-III Trust-Scheme B, Arcil-SBPS 001-V Trust-Scheme B, Arcil-SBPS 002-I Trust-Scheme A, Arcil-SBPS 002-I Trust-Scheme B2, Arcil-SBPS-007-II-Trust-Scheme C, Arcil-SBPS-007-II-Trust-Scheme A1, Arcil-SBPS-007-II-Trust-Scheme A2, Arcil-SBPS-014-I-Trust-Scheme A, Arcil-SBPS-014-I-Trust-Scheme B, Arcil-SBPS 014-II Trust-Scheme A, Arcil-SBPS 014-II Trust-Scheme C, Arcil-SBPS 013-I Trust-Scheme B, Arcil-SBPS 019-I Trust-Scheme B, Arcil-SBPS 022-I Trust-Scheme A1, Arcil-SBPS 021-I Trust-Scheme B, Arcil-SBPS 021-I Trust-Scheme C, Arcil-AARF-II-Trust-Scheme 1, Arcil-Trust-2025-010, Arcil – Trust -2025C – 017, Arcil – Trust -2025C – 018, Arcil-Trust-2025C-019, Arcil-Rustagi Impex Private Limited Trust (up to 23.05.2023), Arcil-AST-003-I-Trust (up to 17.07.2024), Arcil-AST-027-I-Trust (up to 17.07.2024), Arcil-AST-017-IV-Trust (up to 17.07.2024), Arcil-AST-034-II-Trust (up to 17.07.2024), Arcil-AST-001-VIII-Trust (up to 18.04.2023), Arcil-AST-003-V-Trust (up to 18.04.2023), Arcil-AST-034-III-Trust (up to 18.04.2023), Arcil-AST-051-I-Trust (up to 18.04.2023), Arcil-AST-041-I-Trust (up to 18.04.2023), Arcil-AST-001-XII-Trust (up to 28.05.2024), Arcil-AST-056-I-Trust (up to 17.07.2024), Arcil-AST-082-I-Trust (up to 17.07.2024), Arcil-AST-082-II-Trust (up to 17.07.2024), Arcil-AST-090-I-Trust (up to 17.03.2025), Arcil-CPS-031-I-Trust and ARCIL-CPS-032-II-Trust (up to 01.04.2022)

For further details of the related party transactions, see "*Restated Financial Information - Restated Consolidated Financial Information – Note 44 – Related Party Transactions*" on page 338. Also see "*Risk Factors - We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.*" on page 59.

Details of all financing arrangements

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

Weighted average price at which the specified securities were acquired by our Promoters (also the Promoter Selling Shareholders) and the Investor Selling Shareholder and Other Selling Shareholder, in the last one year preceding the date of this Draft Red Herring Prospectus

The weighted average price at which the Equity Shares were acquired by our Promoters (also the Promoter Selling Shareholders) and the Investor Selling Shareholder and Other Selling Shareholder in the last one year preceding the date of this Draft Red Herring Prospectus is:

Name	Number of Equity Shares of face value of ₹ 10 each acquired in the one year preceding the date of this DRHP	Weighted average price of acquisition per Equity Share (in ₹)*
Promoters		
Avenue India Resurgence Pte. Ltd.**	NIL	NIL
State Bank of India **	NIL	NIL
Investor Selling Shareholder		
Lathe Investment Pte. Ltd.	NIL	NIL
Other Selling Shareholder		
The Federal Bank Limited	NIL	NIL

* *As certified by J. Kala & Associates Chartered Accountants (FRN: 118769W), by way of their certificate dated August 1, 2025.*

** *Also, Promoter Selling Shareholders.*

Average cost of acquisition of shares for our Promoters (also the Promoter Selling Shareholders) the Investor Selling Shareholder and Other Selling Shareholder

The average cost of acquisition of Equity Shares acquired by our Promoters (also the Promoter Selling Shareholders) and Investor Selling Shareholder and Other Selling Shareholder is as set out below:

Name	Number of Equity Shares of face value of ₹ 10 each held as on the date of this Draft Red Herring Prospectus	Average cost of acquisition per Equity Share (in ₹)*
Promoters		
Avenue India Resurgence Pte. Ltd.**	226,566,265	55.62
State Bank of India**	64,816,980	36.76
Investor Selling Shareholder		
Lathe Investment Pte. Ltd.	16,244,858	84.00
Other Selling Shareholder		
The Federal Bank Limited	4,139,300	35.43

* *As certified by, J. Kala & Associates, Chartered Accountants (FRN: 118769W), by way of their certificate dated August 1, 2025.*
** *Also, Promoter Selling Shareholders.*

Weighted average cost of acquisition of all shares transacted in the last one year, eighteen months and three years preceding the date of this Draft Red Herring Prospectus

The weighted average cost of acquisition of all shares transacted in the last one year, eighteen months and three years preceding the date of this Draft Red Herring Prospectus is as follows:

Period	Weighted average cost of acquisition per Equity Share (in ₹)*	Upper end of the price band (₹[●]) is 'X' times the weighted average cost of acquisition**	Range of acquisition price per Equity Share: lowest price – highest price (in ₹)
Last one year preceding the date of this Draft Red Herring Prospectus	Nil	[●]	NIL
Last eighteen months preceding the date of this Draft Red Herring Prospectus	Nil	[●]	NIL
Last three years preceding the date of this Draft Red Herring Prospectus	60.53	[●]	60.53-60.53

* *As certified by J. Kala & Associates, Chartered Accountants (FRN: 118769W), by way of their certificate dated August 1, 2025.*
** *To be updated upon finalization of the Price Band and included in the Prospectus.*

Details of price at which specified securities were acquired in the last three years preceding the date of this Draft Red Herring Prospectus by our Promoters (also the Promoter Selling Shareholders), the members of the Promoter Group, the Investor Selling Shareholder, the Other Selling Shareholder or Shareholder(s) with rights to nominate Director(s) or other special rights

Except as stated below, there have been no specified securities that were acquired in the last three years preceding the date of this Draft Red Herring Prospectus, by our Promoters (also the Promoter Selling Shareholders), the members of the Promoter Group, the Investor Selling Shareholders, the Other Selling Shareholder and Shareholders, who have a right to nominate Director(s) or other special rights in our Company:

Name of the acquirer/Shareholder	Date of acquisition of Equity Shares	Number of Equity Shares acquired	Face Value (in ₹)	Acquisition price per Equity Share* (in ₹)
Avenue India Resurgence Pte. Ltd.**	March 29, 2023	32,506,486	10	60.53

* *As certified by J. Kala & Associates, Chartered Accountants (FRN: 118769W), by way of their certificate dated August 1, 2025.*
** *Also a Promoter Selling Shareholder.*

Pre-IPO Placement

Our Company does not propose to undertake any pre-IPO placement of its Equity Shares from the date of this Draft Red Herring Prospectus till the listing of the Equity Shares.

Issuance of equity shares in the last one year for consideration other than cash or bonus issue

Our Company has not issued any Equity Shares in the last one year from the date of this Draft Red Herring Prospectus, for consideration other than cash or bonus issue.

Split/consolidation of Equity Shares in the last one year

Our Company has not undertaken split or consolidation of its Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

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

Our Company has not applied for or received any exemption from complying with any provisions of securities laws from SEBI, as on the date of this Draft Red Herring Prospectus.

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain conventions

All references to "India" contained in this Draft Red Herring Prospectus are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

All references to the "US", "U.S.", "U.S.A." or the "United States" are to the United States of America and its territories and possessions.

Unless otherwise specified, all references to time in this Draft Red Herring Prospectus is in Indian Standard Time ("**IST**"). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a Calendar Year.

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

Financial data

Our Company's Financial Year commences on April 1 of the immediately preceding Calendar Year and ends on March 31 of that particular Calendar Year, so all references to a particular Financial Year, Fiscal or Fiscal Year, unless stated otherwise, are to the 12 months period commencing on April 1 of the immediately preceding Calendar Year and ending on March 31 of that particular Calendar Year.

Unless stated otherwise or the context otherwise requires, the financial data and financial ratios in this Draft Red Herring Prospectus are derived from the Restated Financial Information. The Restated Consolidated Financial Information of our Company and our Subsidiaries comprising the Restated Consolidated Statement of Assets and Liabilities as at and for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash Flows for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 and the summary of material accounting policies and other explanatory notes of our Company and our Subsidiaries, derived from the Audited Consolidated Financial Statements as at and for each of the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023, each prepared in accordance with Ind AS and restated in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI. The Restated Standalone Financial Information of our Company comprising the Restated Standalone Statement of Assets and Liabilities as at and for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Standalone Statement of Profit and Loss (including other comprehensive income), the Restated Standalone Statement of Changes in Equity and the Restated Standalone Statement of Cash Flows for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 and the summary of material accounting policies and other explanatory notes of our Company, derived from the Audited Standalone Financial Information as at and for each of the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023, each prepared in accordance with Ind AS and restated in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI. Ind AS differs from accounting principles with which you may be familiar, such as Indian GAAP, IFRS and US GAAP.

Unless otherwise stated or the context otherwise indicates, any percentage amounts, (excluding certain operational metrics), as set forth in *"Offer Document Summary",* "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 18, 40, 165 and 372, have been calculated on the basis of amounts derived from the Restated Standalone Financial Information.

Our Company has not attempted to explain in a qualitative manner the impact of the IFRS or US GAAP on the financial information included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial information to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP, which may differ from accounting principles with which the prospective investors may be familiar in other countries. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus, which is restated as per the SEBI ICDR Regulations, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices, Ind AS, the Companies Act and the SEBI ICDR Regulations, on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Prospective investors should review the accounting policies applied in the preparation of the Restated Standalone Financial Information and Restated Consolidated Financial Information and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. For further details of the impact of the IFRS or US GAAP, see "*Risk Factors –*

Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition" on page 65.

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

All figures in diagrams and charts, including those relating to financial information, operational metrics and key performance indicators, have been rounded to the nearest decimal place, whole number, thousand or million, as applicable.

Non-Generally Accepted Accounting Principles Financial Measures

Certain Non-Generally Accepted Accounting Principles ("**Non-GAAP**") measures presented in this Draft Red Herring Prospectus such as PAT margin, Return on Equity, EBITDA, EBITDA margin, Return on Net Worth, Net Asset Value are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. For a complete list of Non-GAAP measures, see, "*Our Business*", "*Selected Statistical Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*". Further, these Non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP measures, and other statistical and other information relating to our operations and financial performance, may not be computed on the basis of any standard methodology that is applicable across the industry and, therefore, a comparison of similarly titled Non-GAAP measures or statistical or other information relating to operations and financial performance between companies may not be possible. Other companies may calculate the Non-GAAP measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP measures are not a measure of performance calculated in accordance with applicable accounting standards, we compute and disclose them as our Company's management believes that they are useful information in relation to our business and financial performance. For further details, see "*Risk Factors – We have included in this Draft Red Herring Prospectus certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP financial measures and industry measures may vary from any standard methodology that is applicable across the industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.*" on page 61.

Currency and units of presentation

All references to:

- "₹" or "Rupees" or "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India; and
- "US$" or "USD" are to United States Dollars, the official currency of the United States of America.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions, except where specifically indicated. One million represents 10 lakh or 1,000,000 and ten million represents 1 crore or 10,000,000. However, where any figures that may have been sourced from third party industry sources are expressed in denominations other than millions in their respective sources, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources.

Exchange rates

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

The information with respect to the exchange rate between the Indian Rupee and the U.S. Dollar, as on the dates indicated, is set forth below:

(in ₹)

Currency	Exchange Rate as on		
	March 31, 2025	March 31, 2024	March 31, 2023
1 US$	85.58	83.37	82.22

Source: www.fbil.org.in

Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. Exchange rate is rounded off to the nearest two decimal places.

Industry and market data

Unless stated otherwise, industry related information and market data contained in this Draft Red Herring Prospectus, including in "*Risk Factors*", "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 40, 121, 165 and 372, respectively, have been obtained or derived from the report titled *"Analysis of Asset Reconstruction Industry in India"* dated July, 2025, that has been prepared by Crisil Intelligence (formerly known as CRISIL Market Intelligence & Analytics), a division of Crisil Limited, ("**CRISIL**"), which has been prepared exclusively for the purpose of understanding the industry in connection with the Offer and commissioned and paid for by our Company pursuant to engagement letter dated March 11, 2025 ("**CRISIL Report**"). CRISIL was appointed by our Company and neither our Company, nor our Directors, Promoters, Key Managerial Personnel and Senior Management, nor the BRLMs are a related party to CRISIL as per the definition of "related party" under the Companies Act, 2013, as confirmed pursuant to its consent letter dated July 29, 2025, except to the extent of issuing the CRISIL Report. For risks in relation to the CRISIL Report, see "*Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the CRISIL Report which is a paid report and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks."* on page 61. A copy of the CRISIL Report shall be available on the website of our Company from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date and has also been included in "*Material Contracts and Documents for Inspection – Material Documents*" on page 536.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable. The data used in these sources may have been re-classified for the purposes of presentation, however, no material data in connection with the Offer has been omitted. Data from these sources may also not be comparable, on account of there being no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Further, industry sources and publications are also prepared based on information as of a specific date and may no longer be current or reflect current trends.

The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies and assumptions may vary widely among different market and industry sources. Accordingly, no investment decision should be made solely on the basis of such information. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors - Certain sections of this Draft Red Herring Prospectus disclose information from the CRISIL Report which is a paid report and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks"* on page 61.

The CRISIL Report is disclosed in this Draft Red Herring Prospectus and there are no parts, information, data (which may be material and relevant for the proposed Offer), left out or changed in any manner.

There are no listed companies which are comparable in size to our Company in India or globally in the same industry. Publicly traded ARCs (operate under the name of Asset Management Companies) exist in other countries. Moreover, some of these such as China Huarong Asset Management Co., Ltd in China and Bangkok Commercial Asset Management in Thailand operate in a domain similar to ARCs. But a direct comparison with our Company is not feasible. This is due to the fact that these AMCs are either directly or indirectly backed by their respective governments. Moreover, the establishment of some of these AMCs was driven by distinct circumstances. The Chinese AMCs also got involved in government programs such as debt-equity swap schemes which is not the case in respect of Indian ARCs. Thus, the regulatory framework (including acquisition of assets, operations of business and resolution methods) pertaining to distressed asset industries of other countries would be different to that of Indian ARCs. (*Source CRISIL Report*)

The CRISIL Report is subject to the following disclaimer:

"*Crisil Intelligence, a division of Crisil Limited, provides independent research, consulting, risk solutions, and data & analytics to its clients. Crisil Intelligence operates independently of Crisil's other divisions and subsidiaries, including, Crisil Ratings Limited. Crisil Intelligence's informed insights and opinions on the economy, industry, capital markets and companies drive impactful decisions for clients across diverse sectors and geographies. Crisil Intelligence's strong benchmarking capabilities, granular grasp of sectors, proprietary analytical frameworks and risk management solutions backed by deep understanding of technology integration, makes it the partner of choice for public & private organisations, multi-lateral agencies, investors and governments for over three decades.*

For the preparation of this report, Crisil Intelligence has relied on third party data and information obtained from sources which in its opinion are considered reliable. Any forward-looking statements contained in this report are based on certain assumptions, which in its opinion are true as on the date of this report and could fluctuate due to changes in factors underlying such assumptions or events that cannot be reasonably foreseen. This report does not consist of any investment advice and nothing contained in this report should be construed as a recommendation to invest/disinvest in any entity. The Company shall be responsible for ensuring compliance, and the consequences of any non-compliance, in relation to the use of our Report, or any part thereof, outside India "

Notice to Prospective Investors in the United States and U.S. Persons

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Further, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of this Offer, including the merits and risks involved.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act")** and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Our Company has not registered and does not intend to register under the U.S. Investment Company Act of 1940, as amended ("**U.S. Investment Company Act"**). Accordingly, the Equity Shares are being offered and sold (i) to persons in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both "qualified institutional buyers" ("**U.S. QIBs"**), as defined in Rule 144A under the U.S. Securities Act ("**Rule 144A"**), and "qualified purchasers" as defined under the U.S. Investment Company Act ("**QPs"**), pursuant to section 4(a) of the U.S. Securities Act and Section 3(c)(7) of the U.S. Investment Company Act and (ii) outside the United States to investors that are not U.S. persons ("**U.S. Persons**") (as defined in Regulation S under the U.S. Securities Act ("**Regulation S"**)) nor persons acquiring for the account or benefit of U.S. Persons in "offshore transactions", as defined in, and in reliance on, Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. The Equity Shares may not be re-offered, re-sold, pledged or otherwise transferred except in an offshore transaction in accordance with Regulation S to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (including, for the avoidance of doubt, a bona fide sale on BSE or NSE). See "*Other Regulatory and Statutory Disclosures – Eligibility and transfer restrictions"* on page 436.

As we are relying on an analysis that our Company does not come within the definition of an "investment company" under the U.S. Investment Company Act because of the exception provided under Section 3(c)(7) thereunder, our Company may be considered a "covered fund" as defined in the Volcker Rule. See "*Risk Factors - Our Company is not, and does not intend to become, regulated as an investment company under the U.S. Investment Company Act and related rules. The Volcker Rule may affect the ability of certain types of entities to purchase the Equity Shares"* on page 63.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made, by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "goal", "expect", "estimate", "intend", "objective", "plan", "project", "should" "will", "will continue", "seek to", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. For the reasons described below, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Therefore, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

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

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

Sr. No	Risk category	Description of the Risk
1.	Financial	Our revenue and profits are largely dependent on the value and composition of our AUM and any adverse change in our AUM may impact our revenue and profit.
2.	Operational	Non-compliance with RBI's observations made during any inspection could expose us to penalties and restrictions. Any imposition of penalty or adverse findings by the RBI during any future inspections or otherwise may have an adverse effect on our reputation, business, results of operations, financial condition and cash flows.
3.	Operational	We bid for stressed assets through a competitive bidding process including the Swiss challenge and anchor process. If we are unable to source and acquire a sufficient amount of stressed assets at appropriate prices, our growth, competitive position, financial condition and results of operations may be adversely affected.
4.	Operational	Our inability to recover outstanding amounts from the stressed assets we acquire and manage in a timely manner, or at all, could adversely affect our business, results of operations, financial condition or cash flows.
5.	Financial	A significant portion of our stressed assets are under our corporate loans business vertical (representing 75.48%, 78.51% and 82.70% of our AUM as of March 31, 2025, March 31, 2024, March 31, 2023, respectively). Any factors impacting stressed assets in the corporate loan vertical may have an adverse impact on our business, cash flows, financial condition and results of operations.
6.	Financial	An inability to make accurate stressed asset acquisition decisions could adversely impact our business, financial condition and cash flows.
7.	Operational	We rely significantly on our information technology systems for our business and operations. A failure, inadequacy or security breach in our information technology and telecommunication systems may adversely affect our business, results of operations, financial condition and cash flows.
8.	Operational	We may have to comply with stricter regulations and guidelines issued by regulatory authorities in India, including the RBI, which may increase our compliance costs, divert the attention of our management and subject us to penalties.
9.	Financial	Our Restated Consolidated Financial Information comprises the financial statements of our Company consolidated with those trusts which have been identified as subsidiaries and associates, in accordance with applicable accounting policies. The assets and liabilities of these trusts are distinct from our Company's assets and liabilities and are held for the benefit of the SR holders. Hence, investors must read our Restated Consolidated Financial Information together with our Restated Standalone Financial Information.
10.	Operational	If we fail to identify, monitor and manage risks and effectively implement our risk management policies, it could have an adverse effect on our business, financial condition, results of operations and cash flows.

For further discussion of factors that could cause the actual results to differ from the expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 40, 65 and 372, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses in the future could materially differ from those that have been estimated and are not a guarantee of future performance.

Forward-looking statements reflect current views of our Company as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. We cannot assure Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given the uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of our future performance.

These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, our Directors, our KMPs, Senior Management, the Selling Shareholders, the Syndicate or any of their respective affiliates has any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with regulatory requirements of SEBI and as prescribed under applicable law, our Company will ensure that Bidders in India are informed of material developments from the date of filing of this Draft Red Herring Prospectus until the date of Allotment. In accordance with the requirements of SEBI, the Selling Shareholders shall ensure that our Company and the BRLMs are informed of material developments in relation to the statements and undertakings specifically made or undertaken by them in relation to themselves as Selling Shareholders and their respective portions of the Offered Shares, in this Draft Red Herring Prospectus until the receipt of final listing and trading approvals from the Stock Exchanges for the Equity Shares pursuant to the Offer. Only statements and undertakings which are specifically confirmed or undertaken by the Selling Shareholders to the extent of information pertaining to it and/or its respective portion of the Offered Shares, as the case may be, in this Draft Red Herring Prospectus shall, severally and not jointly, be deemed to be statements and undertakings made by such Selling Shareholders.

SECTION II: RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described in this section are those that we consider to be the most significant to our business, results of operations, cash flows and financial condition as of the date of this Draft Red Herring Prospectus.

The risks set out in this section may not be exhaustive and additional risks and uncertainties, not currently known to us or that we currently do not deem material, may arise or may become material in the future and may also adversely affect our business, results of operations, cash flows, financial condition and/or prospects. If any or a combination of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows, and financial condition and/or prospects could be adversely affected, the trading price of our Equity Shares could decline, and investors may lose all or part of their investment. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Industry Overview", "Our Business", "Restated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", on pages 121, 165, 248 and 372, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer including the merits and risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries.

This Draft Red Herring Prospectus also contains information relating to our strategies, future plans and forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 38.

Our Company's financial year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular fiscal year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Financial Information included in this Draft Red Herring Prospectus, which includes our Restated Consolidated Financial Information as well as our Restated Standalone Financial Information for Fiscals 2023, 2024 and 2025. For further information, see "Restated Financial Information" on page 248. Also see, "Definitions and Abbreviations" on page 1 for certain terms used in this section. Unless otherwise stated or the context otherwise requires, references in this section to "we", "us", or "our" are to Asset Reconstruction Company (India) Limited on a consolidated basis, while "our Company" or "the Company" are to Asset Reconstruction Company (India) Limited on a standalone basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Analysis of Asset Reconstruction Industry in India" dated July, 2025 (the "**CRISIL Report**") prepared and issued by CRISIL Limited, appointed by us pursuant to an engagement letter dated March 11, 2025 and exclusively commissioned and paid for by us to enable investors to understand the industry in which we operate in connection with the Offer. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular Calendar Year/ Fiscal refers to such information for the relevant Calendar Year/ Fiscal. A copy of the CRISIL Report shall be available on the website of our Company from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date. For further information, see "Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the industry report titled "Analysis of Asset Reconstruction Industry in India" which is a paid report and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 61. Further, while we operate across three business verticals of Corporate loans, SME and Other loans and Retail loans, we classify the stressed assets that we acquire based on the resolution mechanism we employ which are subject to our internal assessments. However, the CRISIL Report classifies the industry into Corporate/ Large borrower, MSME and Retail loans on the basis of classification done by the RBI. Also see, "Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data –Industry and Market Data" on page 36.*

Internal Risk Factors

1. ***Our revenue and profits are largely dependent on the value and composition of our AUM and any adverse change in our AUM may impact our revenue and profit.***

   A significant portion of our revenue is derived from management fees/ trusteeship fees charged by us for managing stressed asset portfolios, and from our investments into the stressed asset portfolios that we manage. The table below sets forth our revenue earned from fee income (which also includes our collection fees) and investment income for the years indicated on a consolidated and standalone basis:

Particulars (on a consolidated basis)	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in million)	As a percentage of revenue from operations (%)	Amount (₹ in million)	As a percentage of revenue from operations (%)	Amount (₹ in million)	As a percentage of revenue from operations (%)
Fee income (corresponding to fee and other income in the Restated Consolidated Financial Information)	1,275.95	39.09%	1,466.75	49.46%	1,644.29	47.20%
Investment income (corresponds to other operating income in the Restated Consolidated Financial Information)	1,988.01	60.91%	1,498.96	50.54%	1,839.04	52.80%
Total	**3,263.96**	**100.00%**	**2,965.71**	**100.00%**	**3,483.33**	**100.00%**

Particulars (on a standalone basis)	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in million)	As a percentage of revenue from operations (%)	Amount (₹ in million)	As a percentage of revenue from operations (%)	Amount (₹ in million)	As a percentage of revenue from operations (%)
Fee income (corresponding to fee and other income in the Restated Standalone Financial Information)	1,719.08	47.21%	1,788.71	68.48%	1,734.55	51.47%
Investment income (corresponds to other operating income in the Restated Standalone Financial Information)	1,922.53	52.79%	823.38	31.52%	1,635.17	48.53%
Total	**3,641.61**	**100.00%**	**2,612.09**	**100.00%**	**3,369.72**	**100.00%**

Our management fees/ trusteeship fees are usually calculated and charged to the trust holding the stressed assets as a percentage of the AUM managed by us. Our management fee/ trusteeship fee ranges from 0.25% to 5.00% of the AUM managed by the relevant trust depending on the underlying commercials with each trust. Such management fees are charged where the vintage of the AUM is less than eight years. The following table sets forth details of the ageing of our AUM, as of March 31, 2025:

Particulars	**AUM (₹ in million)**	***Our share in the AUM (₹ in million)***
Up to 1 year	37,462.37	11,549.31
More than 1 year and up to 3 years	33,246.47	7,554.28
More than 3 years and up to 5 years	17,643.86	3,660.37
More than 5 years and up to 8 years	8,253.15	2,684.36
More than 8 years	71,919.85	7,534.69

The following table sets forth details of our AUM across our business verticals as of the dates indicated:

Particulars	March 31, 2025		March 31, 2024		March 31, 2023	
	Amount (in ₹ million)	(% of AUM)	Amount (in ₹ million)	(% of AUM)	Amount (in ₹ million)	(% of AUM)
Corporate loans	127,200.05	75.48%	119,564.02	78.51%	134,164.66	82.70%
SME and Other loans	13,846.85	8.22%	13,313.33	8.74%	12,479.10	7.69%
Retail loans	27,478.80	16.31%	19,422.96	12.75%	15,591.07	9.61%
Total AUM	**168,525.70**	**100.00%**	**152,300.31**	**100.00%**	**162,234.83**	**100.00%**
Company's Investment	**32,983.01**	**19.57%**	**27,633.87**	**18.14%**	**26,445.09**	**16.30%**

Any decrease in our AUM may cause a decline in our fees and therefore our revenue from operations, and consequently, our profit. A decrease in our AUM may also correspond to a reduction in our investment in such AUM, which may lead to a decrease in our investment income. Our AUM may decline for various reasons, many of which are outside our control. Some of these factors include a significant decrease in new stressed assets which will lead to a reduction in the pool of assets available for us to acquire and manage; an increase in the number of ARCs in India or increased competitive pressures by existing ARCs; stricter regulations such as increased investment mandates may limit our operational flexibility and usage of capital; high rate of redemption of security receipts ("**SRs**") without corresponding new acquisitions may lead to a net decline in the AUM; financial condition of banks and financial institutions which sell stressed assets; and broader economic factors such as an uptick in broad based economic growth or changes to the banking sector, can impact the volume and quality of distressed assets available to manage. Further, these factors may inhibit our ability to grow our AUM which may adversely affect our revenue from operations and profit. If we fail to acquire distressed assets at acceptable prices, or at all, it may result in a decline in revenue and profits. Our AUM decreased from ₹162,234.83 million as of March 31, 2023 to ₹152,300.31 million as of March 31, 2024 due to higher redemptions and lower acquisitions during the year. We cannot assure you that such a decrease in AUM may not occur in the future, which may result in a decline in our revenue or profits.

2. ***Non-compliance with RBI's observations made during any inspection could expose us to penalties and restrictions. Any imposition of penalty or adverse findings by the RBI during any future inspections or otherwise may have an adverse effect on our reputation, business, results of operations, financial condition and cash flows.***

We are subject to periodic inspection by the RBI, wherein our books of accounts and other records, including details of stressed assets, corporate governance, regulatory compliances, systems and controls among others, are inspected for the purpose of verifying the correctness and completeness of any statement, information or particulars furnished to the RBI, or for the purpose of obtaining any statements, information or particulars which our Company has failed to furnish. During the course of inspections, the RBI inspection team shares its findings and recommendations with us and provides us an opportunity to provide clarifications, additional information and, where necessary, justification for a different position, if any, than that observed by the RBI. Upon final receipt of the inspection report from the RBI, we are required to take actions specified by the RBI to its satisfaction. The RBI issues observations, directions and monitorable action plans on issues related to non-compliance with applicable regulatory guidelines.

In the last three Fiscals, RBI has conducted one off-site assessment and inspection for supervisory evaluation under the SARFAESI Act and issued a preliminary inspection and risk assessment report to our Company on February 2, 2024 (the "**Preliminary Report**"), following which it held a discussion on the Preliminary Report with the senior management of the Company on February 6, 2024. Subsequently, the RBI issued the inspection and risk assessment report on February 15, 2024 (the "**IRAR**"), the major supervisory concerns of which are as follows: (i) non-compliance with the provisions of the Regulatory Framework for Asset Reconstruction Companies dated October 11, 2022; (ii) deficiency in succession planning policy; (iii) deficiency/ absence of certain policies pertaining to acquisition, resolution, expected credit loss, dividend distribution, KYC, outsourcing and business continuity plan; (iv) compliance parameters for review of the Fair Practice Code not being as per the applicable provisions of law; (v) delays in issuance of no dues certificate and release of securities to the borrowers; (vi) deficiency in the due diligence process as prescribed by internal policies; (vii) scope of the internal audit was not included in the internal audit policy; (viii) reliance on KYC information provided by selling institutions without undertaking independent customer due diligence before onboarding customers; and (viii) lack of complaint management system to track receipt of complaints at the head office and branches. Our Company, through its letter dated March 30, 2024 responded to the RBI and provided its action/ compliance on RBI's observations, which include (i) revising the terms of reference of the Audit Committee to ensure compliance with provisions of the Regulatory Framework for Asset Reconstruction Companies dated October 11, 2022; (ii) framing a succession plan to ensure that vacancies are filled in time bound manner (iii) updating and adopting the relevant policies, as applicable; (iv) reviewing the parameters of compliance to Fair Practice Code; (v) review of the internal audit scope; and (vi) implementation of complaint management system to track complaints received. We furnished an updated response to RBI's observations through our letter dated April 15, 2024.

Subsequently, in connection with the IRAR, we received follow-on queries from RBI dated June 12, 2025, setting out follow-on observations including (i) requiring us to conduct root cause analysis of all the cases wherein the settlement was approved below the realizable sale value of securities; (ii) submission of the status of documents collected from the seller institutions where there was a delay in collection; (iii) submission of the status of automation of corporate business and financial statements along with relevant approvals and timelines for completion; (iv) submission of root cause analysis of deviations from the acquisition policy on account of approval sought from the executive committee instead of the Board for acquiring 8 out of 30 assets during Fiscal 2023; (v) submission of compliance with respect to periodic risk categorization and KYC updation of customers/borrowers; and (vi) to include the discount rate for calculating net present value of settlement in the resolution policy. Our Company through its letter dated June 24, 2025 responded to RBI and provided its action/ compliance on RBI's follow-on observations. As on the date of this Draft Red Herring Prospectus, while we have complied with most of the follow-on queries, we have sought additional time from RBI to furnish incremental documents for certain compliances and provide pending responses.

While the RBI has not levied any penalty or taken any enforcement action for the above non-compliances, or in the last three Fiscals, and we have provided necessary clarifications or undertaken to ensure compliance with the above observations, we cannot assure that such steps will be satisfactory and that the RBI will not have further observations in the future or will not impose any penalties for non-compliances. There can be no assurance that the RBI will not make similar or other observations in the future. As per the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, ("**SARFAESI Act**") the failure of any asset reconstruction company to comply with any direction issued by the RBI under the SARFAESI Act, can result in imposition of a penalty not exceeding ₹10 million or twice the amount involved in such failure where such amount is quantifiable, whichever is more. If any company fails to pay the penalty within 30 days of receipt of the notice, its registration shall be cancelled, post providing an opportunity of being heard. While we take necessary actions to ensure adherence with regulatory provisions applicable to us, however, in the event that we are unable to comply with the observations made by the RBI in the past or comply with RBI's directions at any time in the future, we could be subject to penalties and restrictions which may be imposed by the RBI. Imposition of any penalty or adverse finding by the RBI during any future inspection may have an adverse effect on our reputation, business, results of operations, financial condition and cash flows.

3. ***We bid for stressed assets through a competitive bidding process including the Swiss challenge and anchor process. If we are unable to source and acquire a sufficient amount of stressed assets at appropriate prices, our growth, competitive position, financial condition and results of operations may be adversely affected.***

We bid for stressed assets through a competitive bidding process, including the Swiss challenge and anchor process, where stressed assets are assigned upon satisfaction of the prescribed qualifying criteria. Once prospective bidders satisfy the pre-qualification requirements of the tender, the stressed assets are usually assigned on the basis of price competitiveness of the bid. The RBI through the Master Direction- Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 introduced the Swiss challenge for acquisition of stressed loans. Under this mechanism, an ARC interested in acquiring a stressed loan may offer a bid to the lender ("**Base Bid**"). The lender shall then publicly call for counter-bids. If a counter bid is received which meets the criteria specified by RBI and is higher than the Base Bid, the counter bid becomes the challenger bid. The ARC which issued the Base Bid has the right to either match the challenger bid or bid higher than the challenger bid. In the event the ARC does bid higher, its bid shall become the winning bid, else the challenger bid shall be the winning bid. While we have, in the past, been assigned stressed assets through competitive bidding processes including the Swiss challenge and anchor process, we cannot assure you that we will continue to be assigned stressed assets through such processes. Some of the new entrants may also bid at lower margins in order to win bids. In Fiscals 2025, 2024 and 2023, we acquired 96.24%, 74.80% and 97.94% of our stressed assets acquired in the relevant Fiscals through such competitive bidding processes.

The table below provides details of the total numbers of bids in value terms in which we participated and won in the relevant Fiscals:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Bids participated (₹ million)	57,512.40	56,801.11	73,655.55
Bids won (₹ million)	39,758.71	20,689.82	42,889.62
Percentage of Bids won (%)	69.13%	36.43%	58.23%

We cannot assure you that we would bid where we have been pre-qualified to submit a bid, or that our bids, if submitted, would result in stressed assets being assigned to us. We generally incur significant costs and time in the preparation and submission of bids. If we are unable to acquire stressed assets through such bidding process, in a timely manner, or at all, it could adversely affect our business prospects, cash flows and results of operations.

Our ability to generate sustainable revenue and cash flows and ensure sustainable business growth depends on our ability to source and acquire a sufficient amount of stressed assets at appropriate prices. However, our ability to successfully source and acquire stressed assets is in turn dependent on various other factors, several of which are beyond our control, including changes in economic conditions, competition in bidding for stressed assets from financial institutions, value, quality and type of stressed assets sold by financial institutions and ability to access sources of funding.

4. ***Our inability to recover outstanding amounts from the stressed assets we acquire and manage in a timely manner, or at all, could adversely affect our business, results of operations, financial condition or cash flows.***

The income and cash flow we generate from our stressed assets depends on various factors, including our ability to manage our stressed assets effectively. We utilize different resolution strategies targeted at maximizing the potential of recovery from the distressed assets we acquire. These include resolution mechanisms pursuant to the IBC; reaching mutual settlements with borrowers; restructure or reschedule outstanding debt; sell underlying assets pursuant to the SARFAESI Act and through the Debt Recovery Tribunal; and recovering amounts due by liquidating underlying assets above a particular reserve price.

While we rely on our resolution and collection strategies, we also rely on the ability of the borrowers to repay all or part of their loans which form a part of our stressed asset portfolio. Borrowers under the stressed assets which we have acquired are often in weak financial positions, have experienced poor operating results and have relatively high financing needs or negative net assets, and certain borrowers may be involved in bankruptcy proceedings or restructuring processes. If we are unable to effectively restructure the debt and enforce repayment, we may have to realize the revenue of our stressed assets through methods such as litigation, transfer of assets and disposal of the assets by way of sale and enforcement of underlying collateral. These procedures are time consuming and costly and could be inefficient or may be regulated or subject to existing laws, regulations or government policies and may not achieve the outcome we expect. In some cases, we may also not have first priority on enforcement of our collateral and may be subject to claims by other creditors that have priority over our claims. If the trusts managed by us are unable to sufficiently recover money from the stressed assets, these trusts will be unable to redeem the SRs issued to investors and may be unable to recover sufficient amounts to cover our investment. The table below sets out details in relation to the collections and redemptions of SRs by the trusts managed by us for the years indicated:

(in ₹ million, unless specified otherwise)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Opening AUM	152,300.31	162,234.83	140,359.08
Additions to AUM during the year	39,758.71	20,689.82	42,889.62
Redemption	22,233.11	29,534.71	20,269.76
Write-off	1,300.22	1,089.63	744.11
Closing AUM	168,525.70	152,300.31	162,234.83
Collections	38,826.55	36,781.46	27,167.57
Redemption % on opening AUM (%)	14.60%	18.20%	14.44%

We may encounter legal and practical difficulties in implementing our resolution strategies. An economic downturn could result in a decrease in the value of collateral attached to a stressed asset. Additionally, we may not be able to realise the full value of the collateral attached to a stressed asset. In instances where the underlying collateral to the stressed asset is real estate, the value of real estate may decrease subject to prevailing economic, political and social conditions in India. We may also face challenges with respect to the title of the property. Further, while we utilize an array of resolution strategies for our corporate loans, we may not be able to utilize some of these strategies for our Retail loan and SME and Other loan portfolio. There is no assurance that we will be able to effectively assess and recover money from the stressed assets acquired on a timely basis, or at all, and if we are able to recover money from the stressed assets, that the value will be sufficient for us to make a return on our investment. If we are unable to recover and maximize the value of the stressed assets acquired, our business, results of operations, financial condition and cash flows may be adversely impacted.

Further, in accordance with RBI guidelines, SRs that are held by us and not redeemed within a timeframe of eight years are required to be treated as loss assets and written-off in the books of investors. However, the resolution of such stressed assets continues until the entire recovery proceeds are received. Hence, our AUM is bifurcated into more than eight years and less than eight years. During Fiscals 2025, 2024 and 2023, we made a recovery of ₹ 9,744.63 million, ₹ 8,519.95 million and ₹ 6,262.74 million, respectively, against the AUM which was more than eight years and/or written off. For details of ageing of our AUM, see "-*Our revenue and profits are largely dependent on the value and composition of our AUM and any adverse change in our AUM may impact our revenue and profit*" on page 40.

We are required to obtain recovery ratings from SEBI registered rating agencies on the SRs issued by trusts which are managed by us. The recovery rating indicate the extent of recovery expected within the timeframe (on a present value basis) stipulated in the RBI guidelines (five years, extendable to eight). The ratings are assessed on the basis of recoveries/ collections from the asset within the stipulated resolution timeframe under the most feasible resolution strategy. The choice of the resolution strategy depends on several factors, including cashflow potential of the asset, the competence of the borrower, reasons which led to distress, the external environment, underlying value of collateral and the expected timeframe of recovery. Further, the valuation of an ARCs' investments in SRs assets and its management fees are linked to the recovery ratings of the SRs. Set forth below are details of the of the recovery ratings assigned to the rated SRs issued by the trusts managed by us, as of the dates indicated:

Recovery Ratings	Percentage of outstanding rated AUM		
	As of March 31, 2025	As of March 31, 2024	As of March 31, 2023
RR1+(1)/RR1(2)	34.32%	34.33%	33.42%
RR2(3)	44.95%	45.30%	43.49%
RR3(4)	17.65%	15.81%	18.80%
RR4/ RR5(5)	3.08%	4.56%	4.29%
Total	**100.00%**	**100.00%**	**100.00%**
Unrated(6)	Rating is under process		

(1) RR1+: Indicates 150% and above recovery of outstanding face value of SRs.
(2) RR1: Indicates 100% to 150% recovery of outstanding face value of SRs.
(3) RR2: Indicates 75% to 100% recovery of outstanding face value of SRs.
(4) RR3: Indicates 50% to 75% recovery of outstanding face value of SRs.
(5) RR4: Indicates 25% to 50% recovery of outstanding face value of SRs; RR5: Indicates 0% to 25% recovery of outstanding face value of SRs.
(6) An unrated portfolio is on account of new acquisitions which are in the process of being rated.
Note: For SRs over 8 years, the ratings are compulsorily withdrawn based on guidelines prescribed by RBI, except in certain exceptional circumstances, as prescribed by the RBI. In accordance with the guidelines prescribed by RBI, the above table includes certain SRs, where the SRs issued by the trusts managed by us are over 8 years, but where the RBI guidelines allow for such SRs to be rated.

While as of March 31, 2025, March 31, 2024 and March 31, 2023, 96.92%, 95.44% and 95.71%, respectively of the rated SRs issued by the trusts managed by us were rated RR3 and above, if the percentage of SRs rated RR4/RR5 were to increase, it will impact the quality of our AUM and have an adverse effect on our business, results of operations, financial condition and cash flows. The SRs issued by the trusts managed by us rated RR3 and above decreased from March 31, 2023 to March 31, 2025. We cannot assure you that such a decrease may not occur in the future, which will impact the quality of our AUM and have an adverse effect on our business, results of operations, financial condition and cash flows. Further, we are required under regulations prescribed by RBI that the period of realisation of the stressed financial assets should not exceed eight years from the date of acquisition of the stressed financial assets. Accordingly, if the period of realisation exceeds eight years from the date of acquisition, we write-off such investments. As of March 31, 2025, 42.68% of our AUM consisted of investments which have exceeded the eight year period from the date of acquisition. We cannot assure you that we will be able to recover money from any of these stressed assets, in a timely manner or at all. If we are unable to recover money from these stressed assets, it will impact our business, results of operation, financial condition and cash flows.

5. ***A significant portion of our stressed assets are under our corporate loans business vertical (representing 75.48%, 78.51% and 82.70% of our AUM as of March 31, 2025, March 31, 2024, March 31, 2023, respectively). Any factors impacting stressed assets in the corporate loan vertical may have an adverse impact on our business, cash flows, financial condition and results of operations.***

We have been acquiring stressed corporate assets for over two decades and will continue to focus on growing our corporate loans business by targeting credit-worthy mid-sized stressed assets. We employ sector-specific expertise and risk-based pricing models to selectively acquire corporate loans. We will continue to leverage our strategic partnerships with banks, non-banking financial companies, industry bodies and fintech platforms to identify new opportunities to acquire stressed corporate assets. The following table sets forth details of our corporate loan AUM as of the dates indicated:

Particulars	**March 31, 2025**		**March 31, 2024**		**March 31, 2023**	
	Amount (in ₹ million)	**(% of AUM)**	**Amount (in ₹ million)**	**(% of AUM)**	**Amount (in ₹ million)**	**(% of AUM)**
Corporate loans	127,200.05	75.48%	119,564.02	78.51%	134,164.66	82.70%
Total AUM	**168,525.70**	**100.00%**	**152,300.31**	**100.00%**	**162,234.83**	**100.00%**

In the event of any adverse factors affecting these corporate borrowers, including factors such as economic slowdown resulting in delays in loan repayments, interest rate volatility, cyclical downturns, regulatory changes and commodity price fluctuations, our ability to recover money from such corporate stressed assets may be impacted which may have an adverse impact on our business, cash flows, financial condition and results of operations.

6. ***An inability to make accurate stressed asset acquisition decisions could adversely impact our business, financial condition and cash flows.***

There is no readily ascertainable market price for the stressed assets we acquire. In determining the price for the acquisition of stressed assets, we have to consider various factors, including our expectation of recovery, competition, collateral values, sectors in which the corporate borrowers operate for our corporate loan portfolio and profiles of the borrowers which constitute the pool of stressed assets. We have implemented a comprehensive credit assessment and risk management framework to evaluate potential acquisitions, determine the recovery potential of the assets and manage risks inherent in our operations. We follow a structured approach of gathering, consolidating and analysing data for our credit assessment. We use data analytics and have developed scorecards in conjunction with central information commission scrubs to assist us with predicting the risk profile of borrowers, probability of recovery and improved decision making, especially for our retail loans. Our diligence to evaluate a portfolio includes legal due diligence to assess the enforceability of the security, conducting site visits to understand the value and marketability of the security and diligence on borrowers. Our IT systems collect data from various government databases, which enables us to conduct verification checks on borrowers. For details, see "*Our Business- Our Strengths- Expertise in Acquiring Distressed Assets and Implementing Resolution Strategies*" on page 170.

The valuation methods adopted by us to appraise the value of distressed assets involve subjective judgments, assumptions and opinions, which may not be accurate or correct. If our process of gathering, consolidating and analysing data and our subsequent diligence are inadequate or incorrect, inaccurate acquisition decisions could be made which may negatively affect our business, financial condition and cash flows, and may result in us paying a higher cost for the stressed asset. Further, our valuation of assets is based on information of the assets provided by the banks and financial institutions from which we acquire the stressed assets, which in turn has been provided by the borrowers. We cannot assure you that we will be able to make accurate decisions to acquire, if erroneous information has been provided by borrowers. Further, limitations of the due diligence process including limited available information, may hinder our ability to make accurate decisions with respect to acquisition of stressed assets. If we are unable to properly assess the recoverability of the stressed assets which we propose to acquire, we may be unable to effectively recover money from the stressed assets, which could adversely impact our business, financial condition and cash flows.

7. ***We rely significantly on our information technology systems for our business and operations. A failure, inadequacy or security breach in our information technology and telecommunication systems may adversely affect our business, results of operations, financial condition and cash flows.***

Our ability to operate and remain competitive depends in part on our ability to maintain and upgrade our information technology systems and infrastructure on a timely and cost-effective basis. Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our financial, accounting and other data processing systems, management information systems and our corporate website may fail to operate adequately or become disabled as a result of events beyond our control, including a disruption of electrical or communications services. While we have not faced any such instance which had an adverse effect on our business, results of operations, financial condition and cash flows, we cannot assure you that such an instance may not occur in the future. We may also face risks in transitioning to new technological platforms in the future. There is no assurance that such transition will be smooth or in the manner we anticipate or that the any or all technologies we adopt will achieve the efficiencies we expect, or that we will not face any disruptions or problems resulting from any or all technologies we use, which may adversely impact the overall productivity of our business and result in business interruptions, which may in turn affect our business, results of operations, financial condition and cash flows.

Our systemic and operational controls may not be adequate to prevent adverse impact from frauds, errors, hacking and system failures. Further, applications and interfaces, may be open to being hacked or compromised by third parties. Some of these cyber threats from third parties include: (a) phishing and trojans – targeting us, wherein fraudsters send unsolicited mails seeking sensitive information; (b) hacking – wherein attackers seek to hack into our website with the primary intention of causing reputational damage to us by disrupting services; (c) data theft – wherein cyber criminals may attempt to intrude into our network with the intention of stealing our data or information; (d) ransomware – a malware which threatens to block or publish data unless a ransom is paid and (e) advanced persistency threat – network attack in which an unauthorized person gains access to our network and remains undetected for a long period of time. The intention of these attacks could be to steal our data or information, or to shut down our systems and only release them for a fee. While we have not experienced any of the aforementioned cyber threats or security breach in the last three Fiscals, any cyber threat or security breach in the future may have an adverse effect on our business, results of operations, financial condition or cash flows. Any cybersecurity breach could also subject us to the penalties levied for breach of obligations under the Digital Personal Data Protection Act, 2023. Any accidental security breaches or other unauthorized access to confidential information could expose us to liability related to the loss of the information, legal proceedings against us including the potential imposition of penalties, and negative publicity. While we have not experienced any penalties for breach of obligations under the Digital Personal Data Protection Act, 2023, neither have any accidental security breaches or unauthorized access to confidential information occurred during the same period, any such instance in the future may have an adverse effect on our business, results of operations, financial condition or cash flows.

Further, the information available to and received by our management through our existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in our operations. If any of these systems are disabled or if there are other shortcomings or failures in our internal processes or systems, it may disrupt our business or impact our operational efficiencies and render us liable to regulatory intervention or damage to our reputation. The occurrence of any such events may adversely affect our business, results of operations and financial condition.

Our ability to respond to technological advances on a cost-effective and timely basis may have an impact on our financial performance. If we fail to adapt to technological advances quickly and effectively it could affect the performance and adversely affecting our business, financial condition, results of operations, and cash flows. Our competitors may also make more significant and effective investments in innovation, growth of their businesses and enhancing their reach and engagement and may outcompete us in any of these areas. Increased investments made or innovative services offered by our competitors may require us to divert significant managerial, financial and human resources in order to remain competitive, and ultimately and negatively impact the revenue growth and profitability of our business.

We are dependent on external vendors for certain elements of our information technology operations which we use and access through agreements with these external vendors. We are exposed to several risks, including external vendors or service providers not being able to fulfil their contractual obligations to us (or the risk of operational errors by their respective employees) and the vendors or their employees being involved in any fraud or wilful default. While there has been no material failure by such external vendors or service providers to perform their obligations under agreements, in the three preceding Fiscals, and there are currently no pending disputes regarding such services, there can be no assurance that such failure to perform will not take place in future.

Our Retail loans business relies on technology for its collections. We use data analytics and have developed a scorecard to assist us with predicting the risk profile of borrowers, probability of recovery and decision making. For the collection of Retail loans, we use geo-tracking for field agents, UPI (Unified Payments Interface) and QR (Quick Response) code based payments to provide seamless collection mechanisms, and generation of heat maps and risk models which identify stress clusters based on geography, product or borrower type. The AUM of our retail loan business increased from ₹ 15,591.07 million in Fiscal 2023 to ₹ 27,478.80 million in Fiscal 2025, increasing from 9.61% of our AUM to 16.31% of our AUM, in the respective years. Going forward, we intend to increase the proportion of our retail loans. For details, see "*Our Business- Our Strategies- Increase the Proportion of our Retail and SME and Other Loans*" on page 177. If there are shortcomings or failures in the technology which we use for our Retail loan business or we are unable to adapt to changes in technology, it may have an adverse effect on our business, results of operations, financial condition and cash flows.

8. ***We may have to comply with stricter regulations and guidelines issued by regulatory authorities in India, including the RBI, which may increase our compliance costs, divert the attention of our management and subject us to penalties.***

As an asset reconstruction company, we are required to comply with various laws and regulatory requirements including the SARFAESI Act, the IBC and the Master Direction – Reserve Bank of India (Asset Reconstruction Companies) Directions, 2024 ("**RBI Master Directions**") under which we are required to comply with certain compliances and conditions including (i) having a minimum net owned fund of ₹ 3,000.00 million on an ongoing basis by March 31, 2026; (ii) classification of assets in accordance with the manner prescribed under the RBI Master Directions, if assets are acquired directly by our Company; and (iii) provisioning as per different asset categories prescribed under the RBI Master Directions. Further, the RBI Master Directions requires us to maintain, on an ongoing basis, a capital adequacy ratio of minimum 15% of our total risk weighted assets. The table below sets forth the details of our capital adequacy ratio and our net owned fund as at the dates indicated:

Ratios (on a standalone basis)	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Capital to risk weighted assets ratio	90.59%	99.03%	95.82%
Tier I CRAR	90.59%	99.03%	95.82%
Tier II CRAR	NA	NA	NA
Net owned fund (in ₹ million)	25,637.95	23,915.14	21,382.76

As we continue to grow our portfolio of stressed assets, we may be required to raise additional capital to remain in compliance with applicable capital adequacy ratios. Further, the RBI may increase its current capital adequacy ratio requirements or risk weight for assets, which may require us to raise additional capital. We cannot assure you that we will be able to raise adequate additional capital in the future in order to maintain our capital adequacy ratio above the existing and future minimum required levels or otherwise on terms favourable to us, in a timely manner, or at all, which may adversely affect the growth of our business. While we have not breached the capital adequacy ratio norms or the net owned fund prescribed by RBI in the past, we cannot assure you that we may not breach these norms in the future. The RBI may continue to review the regulatory framework applicable to ARCs in a phased manner. For instance, the RBI issued the Master Direction- Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 introduced the Swiss challenge for acquisition of stressed loans. Under this mechanism, an ARC interested in acquiring a stressed loan may offer a bid to the lender ("**Base Bid**"). The lender shall then publicly call for counter-bids. If a counter bid is received which meets the criteria specified by RBI and is higher than the Base Bid, the counter bid becomes the challenger bid. The ARC which issued the Base Bid has the right to either match the challenger bid or bid higher than the challenger bid. In the event the ARC does bid higher, its bid shall become the winning bid, else the challenger bid shall be the winning bid. Further, in October 2022, the RBI issued a circular amending the regulatory framework for asset reconstruction companies and introduced certain corporate governance norms including the establishment of an independent advisory committee composed of experts. Any such changes in the regulatory framework may lead to an increase in compliance requirements or costs for the Company or divert the attention of the management.

To carry out the business of securitization or asset reconstruction, we are mandated to obtain a certificate of registration from the RBI under SARFAESI Act, 2002. We have obtained the certificate of registration from RBI subject to fulfilment of certain conditions. These conditions, *inter alia*, include carrying out activities in accordance with the SARFAESI Act, 2002, complying with provisions of the RBI Act, 1934 and directions issued for NBFCs, furnishing books of account to the RBI when directed and notifying RBI in case of certain corporate actions. Since the certificate of registration to carry our business is dependent upon continuing fulfilment of the conditions, any failure to abide by the conditions may lead to cancellation of license and that could have a significant impact on our operations.

We are also subject to the corporate, taxation and other laws in effect in India. Our business and financial performance could be adversely affected by changes in the laws, rules, regulations or directions applicable to us, or the interpretations of such existing laws, rules and regulations, or the promulgation of new laws, rules and regulations, including foreign investment laws governing our business, operations and investments in our Company by non-residents. These regulations, apart from regulating the manner in which a company carries out its business and internal operations, prescribe various periodical compliances and filings, including but not limited to filing of forms and declarations with the relevant registrar of companies, the RBI and other relevant authorities. Further, notification of new regulations and policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently may have an adverse effect on our business, financial condition and results of operations. Certain other generally applicable legislations also regulate other aspects of our business. For details, see "*Key Regulations and Policies in India*" on page 198. Any such changes in the regulatory framework may lead to increased compliance requirements for our Company and connected costs or divert the attention of our management.

9. ***Our Restated Consolidated Financial Information comprises the financial statements of our Company consolidated with those trusts which have been identified as subsidiaries and associates, in accordance with applicable accounting policies. The assets and liabilities of these trusts are distinct from our Company's assets and liabilities and are held for the benefit of the SR holders. Hence, investors must read our Restated Consolidated Financial Information together with our Restated Standalone Financial Information.***

While preparing our Restated Consolidated Financial Information, we consolidate those trusts in which our outstanding investment in security receipts is more than 25% as subsidiaries in accordance with Ind AS 110 and our accounting policies. We consolidate all line items in relation to such trusts identified as subsidiaries including investment in security receipts, management fee recoverable from trusts, and other operating income, in accordance with applicable accounting standards. Trusts in which our outstanding investments in security receipts is between 20% and 25% are considered as associates in our Restated Consolidated Financial Information. For such trusts, we consolidate only the share of profit/loss of the associate in our Restated Consolidated Financial Information, in accordance with applicable accounting standards. For further details of these subsidiaries and associates, see "*History and Certain Corporate Matters- Our Subsidiaries*" and "*History and Certain Corporate Matters- Associates and Joint Ventures*" on pages 205 and 207, respectively. The assets and liabilities of the trusts are legally distinct from our Company's assets and liabilities and are held for the benefit of the SR Holders. The consolidation of the results of the trusts with those of our Company in our Restated Consolidated Financial Information may impact our financial metrics. Hence, prospective investors are advised to read our Restated Consolidated Financial Information along with our Restated Standalone Financial Information included in this Draft Red Herring Prospectus while making an investment decision.

10. ***If we fail to identify, monitor and manage risks and effectively implement our risk management policies, it could have an adverse effect on our business, financial condition, results of operations and cash flows.***

The effectiveness of our risk management is affected by the quality and timeliness of available data. We have devoted resources to develop our risk management policies and procedures and aim to continue to do so in the future. For details, see "*Our Business – Description of our Business- Risk Management*" on page 191. We have policies and procedures in place to measure, manage and control the various risks to which we are exposed. Our Board of Directors and the Risk Management Committee reviews our risk management policies from time to time. We also depend on our information technology systems to assist us with our risk management functions. For details, see "*Our Business – Information Technology*" on page 194. However, there may be human error in assessing the right data at the right time in order to develop or modify appropriate risk management policies and procedures.

In the event of any limitations in our risk management systems (such as internal controls, risk identification and evaluation, effectiveness of risk controls and information communication), our ability to adequately and effectively identify or mitigate our risk exposure may be restricted. Our business, financial condition, results of operations and cash flows may be adversely affected by the corresponding increase in our risk exposure and actual losses experienced as a direct or indirect result of failures of our risk management policies and internal controls.

The information and data we rely on may become obsolete because of market and regulatory developments, and our historical data may not be able to adequately reflect risks that may emerge in the future. Any future expansion and diversification of our investments or operations will require us to continue to enhance our risk management and internal control capabilities. Our failure to timely adapt our risk management and internal control policies and procedures to our developing business could have an adverse effect on our business, financial condition, results of operations and cash flows.

11. ***We rely on third party service providers for certain aspects of our business, who may not perform their obligations satisfactorily or in compliance with law. Any disruption, negligence, fraud or inefficiency in the services provided by such third parties could adversely affect our business, results of operation, financial condition and cash flows.***

We enter into arrangements with third party vendors and independent contractors who provide services including collection agents, registered valuers and empanelled lawyers. As of March 31, 2025, we worked with 201 registered valuers, 163 collection agents and had over 950 lawyers empanelled with us. Our arrangements with these third party service providers is on a non-exclusive basis. We extensively rely on third party collectors for our retail loans business. While, we also have an in-house collection team, our third-party collectors are subject to limited supervision by us than our in-house collection team. The table below sets out our recoveries from our in-house collection teams and our third-party collection agents for the years indicated:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	% of total collections	Amount (in ₹ million)	% of total collections	Amount (in ₹ million)	% of total collections
Recovery from in-house collection teams	31,726.23	81.71%	28,672.70	77.95%	25,402.22	93.50%
Recovery from third-party collection agencies	7,100.32	18.29%	8,108.76	22.05%	1,765.35	6.50%
Total	**38,826.55**	**100.00%**	**36,781.46**	**100.00%**	**27,167.57**	**100.00%**

Third-party collection providers could commit fraud with respect to the claims that we engage them to service, fail to comply with applicable laws and regulations, such as data protection requirements, or fail to provide us with accurate data on the claims they are servicing. To the extent these third parties violate laws, other regulatory requirements or their contractual obligations to us, or act inappropriately in the conduct of their business, our business and reputation could be negatively affected or penalties could be directly imposed on us. We have instituted a policy on outsourcing and empanelment, through which we conduct performance review of empanelled registered valuers, advocates and law firms. The performance of registered valuers is rated based on various criteria including analysis of price discovery from sale realization, turnaround time, market reputation and input, processes adopted for valuation. The performance of advocates and law firms is rated on the bases of criteria including quality of service, analysis of subject matter and turnaround time. While we have not faced any material instances of disruptions, negligence or fraud by third party service providers in the three preceding Fiscals, we cannot guarantee that in the future there will be no disruptions in the provision of such services or that these third parties will adhere to their contractual obligations.

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

Our business operations are capital intensive and we require substantial capital for acquiring stressed assets from banks and financial institutions, which could be by way of equity or debt. Factors which may adversely affect our capital levels include unfavourable changes to the macroeconomic environment, money market or government policies unfavourable to our business operations, our ability to obtain financing arrangements on commercially acceptable terms or our inability to collect sufficient or expected amount of receivables from our stressed assets. We are also reliant on lenders to raise capital to finance acquisition of stressed assets. For details, see "-*We have incurred indebtedness and an inability to obtain further financing or to comply with repayment and other covenants in our financing agreements could adversely affect our business, results of operations, financial condition and cash flows*" on page 54. For details of our capital adequacy ratio, see "*We may have to comply with stricter regulations and guidelines issued by regulatory authorities in India, including the RBI, which may increase our compliance costs, divert the attention of our management and subject us to penalties*" on page 47.

The trusts managed by us issue security receipts to qualified buyers which typically include banks, financial institutions, insurance companies, eligible non-banking finance companies, housing finance companies, foreign institutional investors and any category of non-institutional investors permitted by RBI or any other body corporate permitted by SEBI, to raise capital for the acquisition of stressed assets. Such issue of security receipts is undertaken by the trusts managed by us on the basis of legal due diligence, collateral diligence, borrower diligence, valuation methodologies and pricing assessment. For details, see "*Our Business- Due Diligence Prior to Acquisition of Stressed Assets*" on page 180. Any change in the regulations framed by RBI or other regulators in relation to issue of security receipts by ARCs could have an adverse impact on the ability of the trusts managed by us to issue security receipts. Any deterioration in the performance of any receivables from the pool of stressed assets could adversely affect our credibility and the ability to attract qualified buyers to invest in SRs issued by the trusts managed by us. The table below sets out details of the cumulative SRs issued and cumulative SRs redeemed by the trusts managed by us as of the dates indicated:

Particulars	As of March 31, 2025			As of March 31, 2024			As of March 31, 2023		
	SRs issued by the trusts managed by us (₹ million)	SRs redeemed by the trusts managed by us (₹ million)	% of SRs redeemed by the trusts managed by us	SRs issued by the trusts managed by us (₹ million)	SRs redeemed by the trusts managed by us (₹ million)	% of SRs redeemed by the trusts managed by us	SRs issued by the trusts managed by us (₹ million)	SRs redeemed by the trusts managed by us (₹ million)	% of SRs redeemed by the trusts managed by us
Corporate	290,033.70	147,441.61	50.84%	265,668.24	132,012.39	49.69%	259,696.74	112,529.87	43.33%
Retail	66,391.83	38,913.03	58.61%	53,412.63	33,989.67	63.64%	40,963.61	25,372.54	61.94%
SME and Other	25,130.79	11,264.46	44.82%	22,716.74	9,383.93	41.31%	20,447.45	7,948.87	38.87%
Total	**381,556.32**	**197,619.10**	**51.79%**	**341,797.61**	**175,385.99**	**51.31%**	**321,107.79**	**145,851.29**	**45.42%**

We may not be able to effectively manage our cash flows, or raise sufficient funding from qualified buyers through the issue of SRs by the trusts managed by us. In such an event, we may have to look towards other sources of financing for acquiring stressed assets, which may not be available on commercially acceptable terms, or at all. This will in turn have an adverse effect on our business, results of operations, cash flows and financial condition. While we have not had any such instance in the last three Fiscals, where we have not been able to acquire stressed assets due to lack of funds, we cannot assure you that such instances may not arise in the future.

13. ***If the collaterals or guarantees securing the stressed assets which we have acquired are not sufficient, or if we are not able to recover the full value of the collateral or guarantee in a timely manner or at all, it will adversely affect our business, financial condition, results of operations and cash flows.***

A significant portion of our stressed assets are secured by collaterals, guarantees or pledges. The underlying security on retail stressed assets is primarily mortgages. In the event the real estate sector is adversely affected due to any reason whatsoever, including without limitation, the passing of any stringent norms regarding construction, floor space index or other compliances, the value of the underlying collateral may diminish which may affect our business and results of operations. Also, if any real estate project which forms part of the underlying collateral are stalled for any reason for any length of time, the same may affect our ability to enforce our security, thereby effectively diminishing the value of such security. Failure to recover the expected value of collateral could expose us to losses, and, in turn, result in an adverse effect on our business, financial condition, results of operations and cash flows. Some of our stressed assets are unsecured and our inability to recover the expected value from such unsecured stressed assets may have an adverse effect on our business, financial condition, results of operations and cash flows.

14. ***Any non-compliance with mandatory anti-money laundering ("AML"), know your client ("KYC") and anti-terrorist financing ("ATF") rules, regulations and guidelines applicable to us issued by regulatory and government authorities could result in criminal and regulatory fines and reputational damage.***

In accordance with the requirements applicable to us, we are mandated to comply with applicable AML, KYC and ATF regulations. These laws and regulations require us, among other things, to adopt and enforce AML, KYC and ATF policies and procedures. Our reputation and business could suffer if any party use or attempt to use us for money-laundering or illegal or improper purposes and such attempts are not detected or reported to the appropriate authorities in compliance with applicable regulatory requirements. For KYC, the originating lender that sources the loan collects KYC material from the borrower, which is subsequently passed on to us at the time of acquisition of the stressed asset. Although we believe that we have adequate internal policies, processes and controls in place to prevent and detect AML and ATF activity and ensure KYC compliance, there may be significant inconsistencies in the manner in which specific operational and KYC, AML, ATF policies are actually interpreted and implemented at an operational level. If we fail to comply with such laws and regulations, we may be subject to regulatory actions, including imposition of fines and other penalties, which could also result in reputational damage. While no regulatory action or imposition of fines or penalties has occurred in the last three Fiscals, we cannot assure you that regulatory action against us may not occur in the future.

15. ***We have in the past received observations from our internal auditors on certain matters. Failure in internal control systems could cause operational errors which may have an adverse impact on our business.***

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of our operations. The systems and procedures are periodically reviewed and routinely tested to cover our functions and business areas. Our internal auditors conduct quarterly audits, the scope of which includes the audit of business operations and support function including asset acquisition, asset resolution and liquidation, retail operations, review of the NAV process, legal and compliance, finance and accounts, information technology general controls and human resources and payroll. Set out below are certain open observations issued by our internal auditors in the last three Fiscals, the compliance of which is under process:

- delay in submission of data to credit information companies;
- delay in obtaining registration certificate for vehicles in the secured vehicle portfolio;
- user access management to be strengthened;
- issues relating to incident management process;
- delay in document release after issuance of no dues certificate.

While our Company endeavours to take corrective steps to implement and address the observations issued by the internal auditors, there can be no assurance that we will not receive similar observations in the future or that we will be able to take appropriate measures to address these issues including from the perspective of compliance with applicable laws, in a timely manner or at all. Given the size of our operations, it is possible that errors may repeat or compound before they are discovered and rectified. These factors may have an adverse impact on our business.

16. ***Our Company, Subsidiaries, Promoters, Directors, Key Managerial Personnel and Senior Management are involved in certain legal and regulatory proceedings. Any adverse decision in such proceedings may have an adverse effect on our reputation, business, result of operations, financial condition and cash flows.***

There are outstanding legal and regulatory proceedings involving our Company, Subsidiaries, our Promoters, Directors, Key Management Personnel and Senior Management which are pending at different levels of adjudication before various courts, tribunals and other authorities. The amounts claimed in these proceedings have been disclosed to the extent that such amounts are ascertainable and quantifiable and include amounts claimed jointly and severally, as applicable. For instance, the Directorate General of Central Excise Intelligence, Commissioner of Service Tax, Mumbai and Commissioner of CGST & Central Excise, Mumbai Central, have issued certain show cause notices alleging non-payment of service tax on income received as upside income - management incentive and management fee/trusteeship fee. For further information, see "*Outstanding Litigation and Other Material Developments*" on page 414. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, results of operations, financial conditions and cash flows. The summary of such outstanding material legal and regulatory proceedings as on the date of this Draft Red Herring Prospectus is set out below:

Category of individuals/ entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters in the last five Financial Years, including outstanding action	Material civil litigation	Aggregate amount involved (in ₹ million)$
Company						
By our Company	Nil	Nil	NA	NA	Nil	Nil
Against our Company	4	1	Nil	NA	Nil	561.01
Subsidiaries#						
By the Subsidiaries	5	NA	NA	NA	52	65,234.55
Against the Subsidiaries	Nil	Nil	Nil	NA	Nil	Nil
Directors						
By the Directors	Nil	NA	NA	NA	Nil	Nil
Against the Directors	1*	1	Nil	NA	1	Nil
Promoters						
By the Promoters	4,519@	NA	NA	NA	3	2,963.8
Against the Promoters	Nil@	545	Nil	Nil	3	1,028,310.43
Key Managerial Personnel						
By the Key Managerial Personnel	Nil	NA	NA	NA	NA	Nil
Against the Key Managerial Personnel	1**	Nil	Nil	NA	NA	Nil
Senior Management						
By the Senior Management	Nil	NA	NA	NA	NA	Nil
Against the Senior Management	Nil	Nil	Nil	NA	NA	Nil

$ *To the extent quantifiable*

* *Excluding the two criminal matters involving our Director, Pallav Mohapatra and our Company.*

@ *As on the date of this DRHP, there are criminal proceedings against SBI that are pending at different levels of adjudication before various courts, tribunals, enquiry officers and appellate tribunals. For further details, see "Outstanding Litigation and Material Developments" on page 414.*

** *Excluding the matters involving our Directors.*

\# *Our Company does not have any subsidiaries as defined under the Companies Act. However, in accordance with Ind AS 110 and our accounting policies, the trusts where our outstanding investment in SRs in trusts are more than 25%, have been considered as subsidiaries in the Restated Consolidated Financial Information. Such trusts are set up by our Company for the purposes of acquisition and securitization of financial assets.*
NA means not applicable

As on the date of this Draft Red Herring Prospectus, our Company does not have any group companies.

We cannot assure you that any of these matters will be settled in favour of our Company, Subsidiaries, Promoters, Directors, Key Management Personnel and Senior Management, respectively, or that no additional liability will arise out of these proceedings. An adverse outcome in any of these proceedings may have an adverse effect on our reputation, business, results of operations, financial conditions and cash flows. For further information, see "*Outstanding Litigation and Other Material Developments*" on page 414.

Our process of recovery involves filing suits and litigating to recover collateral from stressed assets. Various delays could arise in the judicial system in India on account of a high volume of pending cases or procedural inefficiencies. Such delays could impede our ability to recover collateral in a timely manner, or at all, which could adversely affect our business, results of operations, financial condition and cash flows. Prolonged litigation may result in increased legal costs and extended periods of uncertainty regarding asset recovery.

17. ***Our operations are dependent on our ability to attract and retain qualified personnel, including our Key Managerial Personnel and Senior Management and any inability on our part to do so, could adversely affect our business, results of operations, financial condition and cash flows.***

Our performance depends largely on the efforts and abilities of our Key Managerial Personnel and Senior Management. See "*Our Management*" on page 212. The inputs and experience of our Key Managerial Personnel and Senior Management are valuable for the development of our business and operations and the strategic directions taken by our Company. Our managerial and other employees are critical to maintaining the quality and consistency of our services and reputation and the loss of the services of our personnel may adversely affect our business and operations. While we believe that we currently have adequate qualified personnel for our operations, we may not be able to continuously attract or retain such personnel, or retain them on acceptable terms, given the demand for such personnel. In terms of the RBI Master Directions and section 3(6) of the SARFAESI Act, 2002, the prior approval of the RBI is required for appointment/ re-appointment of a Director or Managing Director or Chief Executive Officer. If the RBI does not provide such approval, we may not be able to hire appropriate directors or chief executive officers, in a timely manner, which could adversely affect our business, results of operations, financial condition and cash flows.

The following table sets forth the attrition rate for our Key Managerial Personnel and members of Senior Management of our Company for the years indicated:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Total number of Key Managerial Personnel	3	3	3
Number of Key Managerial Personnel resigned	Nil	Nil	Nil
Attrition Rate of Key Managerial Personnel (%)*	0.00%	0.00%	0.00%
Total Number of members of Senior Management (other than Key Managerial Personnel)	11	6	9
Number of members of Senior Management (other than Key Managerial Personnel) resigned	2	1	4
Attrition rate of members of the Senior Management Personnel (other than Key Managerial Personnel) (%)*	28.57%	20.00%	61.54%

* *Attrition rate is calculated as exits in the relevant category divided by average number of employees in the relevant Fiscal, in the relevant category.*

For details regarding changes in Key Managerial Personnel and Senior Management during the last three Fiscals, see "*Our Management - Changes in the Key Managerial Personnel and Senior Management during the last three years*" on page 229. Competition for qualified personnel with relevant industry expertise in India is intense and the loss of the services of our Key Managerial Personnel and Senior Management may adversely affect our business, results of operations, financial condition and cash flows. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company.

Our success also depends on our ability to attract, hire, train and retain skilled personnel. Our inability to recruit, train and retain suitably qualified and skilled personnel could adversely impact our business, results of operations, financial condition and cash flows. The following table sets forth the details regarding rate of attrition of our employees in the years indicated:

Particulars	As at/ for the year ended March 31, 2025	As at/ for the year ended March 31, 2024	As at/ for the year ended March 31, 2023
Number of employees	193	221	229
Attrition rate of our employees	23.83%	17.65%	17.47%

Note: Attrition rate represents number of resignations as a percentage of closing number of employees as at the end of the respective year.

We cannot assure you that attrition rates for our employees will not increase. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. While we have not experienced any employee unrest in the last three Fiscals, which had an adverse impact on our business, results of operations, financial condition and cash flows, we cannot assure you that we will not experience disruptions in work or our operations due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any employee unrest could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations.

Further, we are subject to stringent labour laws, and any violation of these laws may lead regulators or other authorities to order a suspension of certain or all of our operations. While our operations have not been suspended in the last three Fiscals, due to any violation of labour laws, we cannot assure you that such incidents may not occur in the future. We may need to increase compensation and other benefits either to attract and retain key personnel or due to increased wage demands by our employees that may adversely affect our business, results of operations, financial condition and cash flows. We incur significant employee costs, including salaries and wages, contribution to provident and other funds and staff welfare expenses. The following table sets forth the details regarding our employee benefits expense in the years indicated on a consolidated and standalone basis:

Particulars (on a consolidated basis)	Fiscal 2025	Fiscal 2024	Fiscal 2023
Employee benefits expenses (₹ million)	609.41	556.59	547.79
Employee benefits expenses as a percentage of the total expenses	34.49%	28.58%	12.85%

Particulars (on a standalone basis)	Fiscal 2025	Fiscal 2024	Fiscal 2023
Employee benefits expenses (₹ million)	609.42	556.60	547.78
Employee benefits expenses as a percentage of the total expenses	41.69%	33.75%	12.67%

18. ***The bankruptcy code in India and other related laws may affect our right to recover amounts from stressed assets.***

The Insolvency and Bankruptcy Code, 2016 ("**IBC**") was notified on May 28, 2016. The IBC offers a uniform and comprehensive insolvency legislation encompassing all companies, partnerships and individuals (other than financial services firms). It allows creditors to assess the viability of a borrower as a business decision and agree upon a plan for its revival or a speedy liquidation. The IBC creates an institutional framework, consisting of a regulator, insolvency professionals, information utilities and adjudicatory mechanisms, which facilitates a formal and time-bound insolvency resolution or liquidation process. The IBC has established a well-defined waterfall mechanism which prioritizes the claims of secured creditors over unsecured and operational creditors. Further, the appointment of independent resolution professionals ensures transparent and professional management of the corporate borrower during the insolvency process. In case insolvency proceedings are initiated against any of our borrowers, we may not have complete control over the recovery of amounts due to us. Under the IBC, upon invocation of an insolvency resolution process, a committee of creditors is constituted by the interim resolution professional, wherein each financial creditor is given a voting share proportionate to the debts owed to it. Any resolution plan approved by committee of creditors is binding upon all creditors, even if they vote against it. In case a liquidation process is opted for, the IBC provides for a fixed order of priority in which proceeds from the sale of the borrowers' assets are to be distributed. We cannot guarantee that we will be able to recover all amounts due to us or realize the full value of the collateral, due to various reasons, including a possible decline in the realizable value of the collateral, defective title or pledge of faulty items as security, prolonged legal proceedings and fraudulent actions by borrowers, defects or deficiencies in the perfection of collateral (including due to the inability to obtain approvals that may be required from third parties), errors in assessing the value of the collateral, an illiquid market for the sale of the collateral, among others. Such instances have occurred in the last three Fiscals, and we cannot assure you that such instances will not occur in the future. The IBC is undergoing changes and principles governing insolvency process and distribution of assets my undergo further changes. Any change in the existing law governing the insolvency process, may incur additional cost or may impact our ability to recover money from corporate borrowers.

19. ***Any downgrade in our credit ratings may increase interest rates for raising new debt, refinancing our outstanding debt, which would increase our financing costs, and adversely affect our future ability to borrow on a competitive basis.***

Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. Although we have not experienced any downgrades in our credit ratings in the past three Fiscals, we cannot assure you that there will not be any downgrades in our credit ratings in the future. Any downgrades in our credit ratings may increase interest rates for refinancing our outstanding debt, which would increase our financing costs, and adversely affect our ability to borrow on a competitive basis, which may in turn adversely affect our business, financial condition, results of operations and cash flows. Further, any downgrade in our credit ratings may also trigger an event of default or acceleration of certain of our borrowings and also lead to lenders imposing additional terms and conditions to any financing or refinancing arrangements we enter into in the future and adversely affect our business, results of operations and financial condition. In the event of any downgrade in our credit ratings, we cannot assure you that we would be able to refinance any debt on acceptable terms or at all. Set forth below are details of our credit ratings obtained in the last three Fiscals:

Date of Issue of Credit Rating	Instrument	Rating Agency	Rating
March 20, 2025	INR 3.0 billion NCD programme	ICRA Limited	ICRA AA- (Stable)
March 20, 2025	INR 12.0 billion long term-fund based-others	ICRA Limited	ICRA AA- (Stable)
April 2, 2024	INR 2.0 billion NCD programme	ICRA Limited	ICRA AA- (Stable)
April 2, 2024	INR 1.0 billion NCD programme	ICRA Limited	ICRA AA- (Stable)
April 2, 2024	INR 7.5 billion bank facilities programme	ICRA Limited	ICRA AA- (Stable)
March 29, 2023	INR 2.0 billion NCD programme	ICRA Limited	ICRA AA- (Stable)
November 9, 2022	INR 7.5 billion bank loans	India Ratings & Research	IND A+/ Stable
November 3, 2022	INR 2.0 billion short term debt/commercial paper	India Ratings & Research	IND A1+

20. ***We have incurred indebtedness and an inability to obtain further financing or to comply with repayment and other covenants in our financing agreements could adversely affect our business, results of operations, financial condition and cash flows.***

We have entered into financing arrangements with various lenders for short-term and long terms facilities for purposes including funding our working capital requirements. The table below sets forth certain information on our total borrowings, finance costs and interest coverage ratio, as of and for the years as indicated:

Particulars (on a consolidated basis)	As of/ for the year ended March 31, 2025	As of/ for the year ended March 31, 2024	As of/ for the year ended March 31, 2023
Total borrowings(1) (₹ million)	3,059.86	1,499.47	1,180.13
Finance costs (₹ million)	113.31	61.38	15.98
Interest coverage ratio(2) (in times)	39.05	68.57	242.75
Debt to Equity(3) (in times)	0.11	0.06	0.05

(1) *Total borrowing includes both current and non-current borrowings and interest accrued but not due as on the relevant period/ year end.*
(2) *Interest coverage ratio is calculated as earnings before interest and taxes divided by finance cost.*
(3) *Debt to Equity is calculated as is calculated by dividing total debt (including both current and non-current borrowings and interest accrued but not due) as on year end by the net worth of the company for the year end.*

Our ability to pay interest and repay the principal amount for our indebtedness is dependent upon our ability to generate sufficient cash flows to service such debt. Any additional indebtedness we incur may have consequences, including, requiring us to use a significant portion of our cash flow from operations and other available cash to service our indebtedness, thereby reducing the funds available for other purposes, and reducing our flexibility in planning for or reacting to changes in our business, competition pressures and market conditions.

Our financing arrangements include conditions that require us to obtain respective lenders' consent prior to carrying out certain activities and entering into certain transactions including altering our capital structure, further issuance of any Equity Shares, transfer of Equity Shares, any direct or indirect change in our shareholding pattern or management control, changing the management including changes in the key managerial personnel or senior management of the Company, dilution of Promoters' shareholding, alteration in the constitutional documents and creation of security. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. As of the date of this Draft Red Herring Prospectus, we have received all consents required from our lenders in connection with the Offer.

In terms of security, we are required to create a charge over our investment in SRs. We may also be required to furnish additional security if required by our lenders. Additionally, these financing agreements also require us to maintain certain financial ratios. While there has been no breach of such covenants in the last three Fiscals, we cannot assure you that we will be able to comply with these financial or other covenants at all times or that we will be able to obtain the consent necessary to take the actions that we believe are required to operate and grow our business. Further, there has been no re-scheduling/ re-structuring in relation to borrowings availed by us from any financial institutions or banks in the last three Fiscals.

We are also susceptible to changes in interest rates and the risks arising therefrom. Certain of our financing agreements provide for interest at variable rates with a provision for the periodic resetting of interest rates. For further information on the interest charged under our financing agreements, see "*Financial Indebtedness – Principal terms of the facilities sanctioned to our Company*" on page 370.

21. ***As part of our resolution strategies we act as a resolution applicant under the Insolvency and Bankruptcy Code, 2016 and are subject to various risks in our capacity as resolution applicant which may adversely affect our business, financial condition and results of operations.***

On October 11, 2022, the RBI issued a circular providing a regulatory framework for asset reconstruction companies to act as a resolution applicant in the corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016. Pursuant to this notification, we have acted as a resolution application in the corporate insolvency resolution process for various corporate borrowers. As a resolution applicant under the Insolvency and Bankruptcy Code, 2016, we are exposed to a number of legal, financial and operational risks that may adversely impact our ability to acquire and resolve stressed assets. Such risks include delays in approval and implementation of resolution plans, challenge of resolution plans by statutory authorities or other creditors, operational and financial risks in plan execution and exposure to evolving regulatory and judicial interpretations. If any of the aforementioned risks were to impact our role as a resolution applicant, our business, financial condition and results of operations could be adversely impacted.

22. ***Our inability to effectively manage our growth or implement our growth strategies may have an adverse effect on our business, results of operations, financial condition and cash flows.***

The table below sets forth details of our revenue from operations and profit after tax for the years indicated:

Particulars (on a consolidated basis)	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from operations (₹ million)	5,817.55	6.058.24	8,091.94
Profit after tax attributable to the Company (₹ million)	3,295.08	3,304.65	2,865.99

Particulars (on a standalone basis)	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from operations (₹ million)	5,964.23	5,701.41	7,513.14
Profit after tax (₹ million)	3,553.19	3,053.41	2,391.24

Our historical results should not be considered indicative of our future results. Our acquisition of stressed assets and returns from managing stressed assets as well our investments into these stressed assets have benefitted from periods of opportunities and market conditions. In other periods, general economic and market conditions have affected our returns. These negative conditions may occur again, and in the future, we may not be able to identify and acquire in profitable stressed assets within our current or future investment funds, which could adversely affect our financial performance.

Our growth strategies include:

- Increase the proportion of our Retail and SME and Other loans.
- Continue to grow our Corporate loans business.
- Continue to focus on effective use of technology and data analytics to improve operational efficiency.
- Strengthening our retail loan collection capabilities.
- Pursue new business opportunities.

For further information, see "*Our Business – Our Strategies*" on page 177. We cannot assure you that our future growth strategy will be successful or that we will be able to continue to expand further, or at the same rate. Our ability to manage our future growth will depend on our ability to continue to implement and improve operational, financial and management systems on a timely basis and to expand, train, motivate and manage our personnel. We cannot assure you that our personnel, systems, procedures and controls will be adequate to support our future growth. Failure to effectively manage our expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects. Our inability to manage our business and implement our growth strategy could have an adverse effect on our business, results of operations, financial condition and cash flows.

23. ***The asset reconstruction industry is highly competitive and if we are not able to compete effectively, it could adversely affect our business and results of operations.***

We operate in a highly competitive industry in India and we compete with other asset reconstruction companies in India. Our competitors may have more resources, a wider branch network, access to funding at lower cost, superior technology and may have a better understanding of and relationships with banks and financial institutions in these markets. This may make it easier for competitors to expand and to achieve economies of scale to a greater extent. In addition, our competitors may be able to rely on the reach of the presence of their affiliated group companies. For details, see "*Industry Overview*" on page 121.

We are subject to the potential increase in competition brought about by changes in the laws and regulations governing our business. Any changes in the relevant laws or regulations by the RBI to correct, clarify or amend regulatory subject matter may result in the diminishment of available opportunities. We may encounter fee pressure as a result of the competitive pressures of the market. In order to maintain our fee structure in a competitive market, we must be able to provide qualified buyers with superior investment returns and service that will encourage them to be willing to pay our fees. Our ability to compete effectively will depend, in part, on our ability to maintain or increase our margins. We cannot assure you that we will be able to react effectively to market developments or compete effectively with new and existing players in the increasingly competitive asset reconstruction industry. If we are unable to compete effectively, our business and results of operations may be adversely affected.

In July 2021, a government asset reconstruction company was incorporated with majority stake held by public sector banks in India, with the objective of cleaning up legacy stressed assets with an exposure of ₹ 5,000 million and above in the Indian banking system. This initiative could lead to increased competition in the asset reconstruction sector, potentially affecting our ability to acquire distressed assets at appropriate prices. Furthermore, the SRs issued by this government asset reconstruction company are backed by the Government of India, which may make it a preferred choice for banks and financial institutions over other ARCs in India. (*Source: CRISIL Report*) This could reduce the volume of assets available for acquisition by our Company, limit our market share and adversely affect our operational performance.

24. ***Failure to obtain or renew approvals, licenses, registrations and permits to operate our business in a timely manner, or at all, may adversely affect our business, financial condition, results of operations and cash flows.***

We are required to obtain certain approvals, registrations, permissions and licenses from regulatory authorities, to undertake our operations. For further information on the nature of approvals and licenses required for our business and details of their validity, see "*Government and Other Approvals*" on page 429. These approvals, licenses, registrations and permissions may be subject to numerous conditions. If we fail to obtain some or all of these approvals or licenses, or renewals thereof, in a timely manner or at all, or if we fail to comply with applicable conditions or it is claimed that we have breached any such conditions, our license or permission for carrying on a particular activity may be suspended or cancelled and consequently we may not be able to carry on such activity, which could adversely affect our business, results of operations, financial condition and cash flows.

We have and may need to in the future, apply for certain additional approvals, including the renewal of approvals, which may expire from time to time. We cannot assure you that such approvals and licenses will be renewed in a timely manner or will not be cancelled or withdrawn by the relevant governmental or regulatory authorities. Failure to obtain or renew such approvals and licenses in a timely manner would make our operations non-compliant with applicable laws and may result in the imposition of penalties by relevant authorities and may also prevent us from carrying out our business.

25. ***Internal or external fraud or misconduct by our employees could adversely affect our reputation and our results of operations.***

We may be subject to instances of fraud, misappropriation, unauthorised acts and misconduct by our representatives and employees which may go unnoticed for certain periods of time before corrective action is taken. Fraudulent and unauthorised conduct by our employees could also bind us to transactions that exceed the scope of authorisation and present significant risks to us. As a result, we may be subject to regulatory sanctions, brand and reputational damage or financial harm. It is not always possible to deter fraud or misconduct by employees and the precautions we take and the systems we have put in place to prevent and deter such activities may not be effective in all cases. Further, we employ third parties for certain operations and accordingly, we are exposed to the risk of fraud and embezzlement. In addition, we may be subject to regulatory or other proceedings in connection with such acts by our employees, which could adversely affect our goodwill. Even if we identify instances of fraud, misappropriation, unauthorised acts and misconduct by our representatives and employees and pursue legal recourse or file claims, we cannot assure you that we will recover any amounts lost through such instances of fraud, misappropriation, unauthorised acts and misconduct by our representatives and employees. While we have not had any instances of fraud or employee misconduct, in the last three Fiscals, if any such instance arises in the future, it could adversely affect our reputation and our results of operations.

26. ***If we fail to protect or incur significant costs in defending our intellectual property or if we infringe the intellectual property rights of others, our business, results of operation, financial condition and cash flows could be adversely affected.***

As on the date of this Draft Red Herring Prospectus, we have registered one trademark under class 36, three copyrights under class 'computer software work', and have not filed any application for the registration of any trademarks or copyrights. Our future success depends, in part, on our ability to protect these intellectual property and other proprietary rights that we may develop. Despite our efforts to protect our intellectual property, we may be unable to prevent third parties from infringing upon or misappropriating our intellectual property. While we have had no instance in the last three Fiscals, wherein a third party infringed or misappropriated our intellectual property, if such an instance were to occur in the future, our business, results of operation, financial condition and cash flows could be adversely affected.

While we 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. While we have not had any incidents in the past alleging infringement of third-party intellectual property, we cannot assure you that such incidents may not occur in the future. Any claims of intellectual property infringement from third parties, regardless of merit or resolution of such claims, could force us to incur significant costs in responding to, defending and resolving such claims, and may divert the efforts and attention of our management and technical personnel away from our business. As a result of such infringement claims, we could be required to pay third party infringement claims, alter our technologies, obtain licenses or cease some portions of our operations.

27. ***Negative publicity of us or the asset reconstruction services sector could damage our reputation and may adversely impact our reputation, business and financial results.***

Negative publicity may include public opinion about the asset reconstruction services industry generally or about us specifically, which could adversely affect our ability to increase our AUM. Negative publicity may arise from our own or our third-party service providers' actual or alleged conduct in any number of activities, including resolution practices, recovery practices, corporate governance, regulatory compliance, and actions taken by government regulators in response to that conduct. Further, our business involves negotiations to restructure debt, collecting debt from borrowers and/or foreclosing on collateral, which has the potential to result in dissatisfied borrowers. Dissatisfied borrowers may filed suits against us, or disseminate negative information which may hinder or obstruct our business. While we have not experienced any negative publicity that has had an adverse effect on our reputation, business or financial results in the last three Fiscals, any adverse publicity in relation to our industry in general or specifically in relation to our Company and our third-party service providers could rapidly erode trust and confidence of banks and financial institutions in us, and consequently have an adverse impact on our reputation, business and financial results. Although we take steps to minimize reputational risk, we, as a large financial services organization with a high industry profile, are inherently exposed to this risk.

28. ***We have not been able to obtain records of the educational qualification for one of our Senior Management and have relied on a reply from the University to the email written by the respective Senior Management to their university for details of their profile included in this Draft Red Herring Prospectus.***

One of our Senior Management, Aryaman Dhawan, our Chief Human Resources Officer has been unable to trace a copy of his bachelor’s degree in science from State University of New York. He has made attempts to retrieve a copy of his degree by writing an e-mail to the State University of New York but has not been successful in obtaining a copy of his degree. As a result, reliance has been placed on the e-mail response from the Senior Office Assistant from the Registrar Office of the State University of New York to disclose details of their educational qualification in this Draft Red Herring Prospectus. We have been unable to independently verify these details prior to inclusion in this Draft Red Herring Prospectus. Further, we cannot assure you that he will be able to trace the relevant degree in future, or at all. Accordingly, reliance has been placed on the certificates furnished by him to us and the BRLMs to disclose details of his educational qualifications in this Draft Red Herring Prospectus. For details of his profile, see “*Our Management*” on page 212.

29. ***We are unable to trace certain of our historical records. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to the untraceable filings and corporate records, which may impact our financial condition and reputation.***

Our Company is unable to trace certain letters of renunciation and acceptance, form FC-TRS and a special resolution for some of the corporate records and regulatory filings made by us. These include the form FC-TRS in respect of the regulatory filings. For instance, our Company is unable to trace the letters of renunciation and acceptance in relation to the rights issues made on November 22, 2006, June 2, 2008 and December 5, 2008. We have included details of such allotment based on other corporate records such as the Form 2, list of allottees and board resolutions. Further, our Company is unable to locate the special resolution and Form 23 in relation to the further issue of equity shares dated May 2, 2003. We have accordingly, relied on the Form 2 (*along with the challan*) and board resolution for the allotment of shares.

Further, we had commissioned a physical and electronic search of the RoC records through an independent practicing company secretary, Khanna & Co., to ascertain the details of all corporate actions undertaken by our Company since incorporation. Pursuant to the foregoing, the practicing company secretary firm has issued its report dated August 1, 2025 (the “**Search Report**”).

We have by way of our letter dated August 1, 2025, informed the RoC of the corporate records that we were unable to trace pursuant to a search undertaken by the independent practicing company secretary. We cannot assure you that the regulatory filings or corporate records which we have not been able to locate will be available in the future, or that the information gathered in this regard is correct, or that the regulatory filings were done in accordance with applicable law or at all or in timely manner. Additionally, while no notices, disputes or penalties have arisen or been imposed in connection with these challans as of the date of this Draft Red Herring Prospectus, we cannot assure you that no notices, dispute or penalties will arise or be imposed on us in this regard in the future.

30. ***There have been certain instances of delays in payment of statutory dues by us in the past. Any delay in payment of statutory dues by us in future, may result in the imposition of penalties and in turn may have an adverse effect on our business, financial condition, results of operation and cash flows.***

We are required to pay certain statutory dues including provident fund contributions, employee state insurance contributions (“**ESIC**”), professional taxes, labour welfare fund, goods and services tax (“**GST**”), tax deducted at source (“**TDS**”), tax collected at source (“**TCS**”) and income tax. The table below sets forth details of the statutory dues payable by us:

Particulars	Number of employees to whom statutory dues were payable as of March 31, 2025	Fiscal 2025 (₹ million)	Number of employees to whom statutory dues were payable as of March 31, 2024	Fiscal 2024 (₹ million)	Number of employees to whom statutory dues were payable as of March 31, 2023	Fiscal 2023 (₹ million)
Income Tax Act, 1961 (TDS on salary)	184	114.29	189	115.79	162	101.22
Employee Provident Fund and Miscellaneous Provisions Act, 1952	239	43.63	260	46.15	269	35.31
ESIC	Nil	Nil	Nil	Nil	Nil	Nil
Labour Welfare Fund	6	Negligible*	8	Negligible*	13	Negligible*
Professional Tax	220	0.49	240	0.51	248	0.48
GST	NA	391.75	NA	424.14	NA	449.96
TDS other than salary	184	90.75	189	117.92	162	43.24
TCS	NA	NA	NA	Nil	Nil	Nil

* *The amount paid is negligible i.e., ₹ 255, ₹ 337 and ₹ 266 for Fiscal 2025, 2024 and 2023 respectively.*

The table below sets forth the details of delays in statutory dues payable by us:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
	Amount Delayed (₹ million)		
Income Tax Act, 1961 (TDS on salary)	Nil	0.06	Nil
Employee Provident Fund and Miscellaneous Provisions Act, 1952 (1)	Negligible*	Nil	Nil
ESIC	Nil	Nil	Nil
Labour Welfare Fund(2)	Nil	Nil	Negligible**
Professional Tax	Nil	Nil	Nil
GST	Nil	Nil	Nil
TDS other than salary	Nil	Nil	Nil
TCS	Nil	Nil	Nil

* *The amount paid is negligible amounting to ₹4,221*

** *The amount paid is negligible amounting to ₹ 192*

We cannot assure you that we will not be subject to such penalties and fines in the future for delays in payment of statutory dues, which may have an adverse impact on our business, results of operations, financial condition and cash flows.

31. ***One of our business strategies is to increase the proportion of our Retail loans in our AUM. If we are unable to successfully execute our business strategy, our business, financial condition and results of operations may be adversely affected.***

We intend to increase the proportion of Retail and SME and Other loans in our portfolio. For details see, "*Our Business- Our Strategies- Increase the Proportion of our Retail, SME and Other Loans*" on page 177. We may be unable to increase the proportion of our Retail loans including factors such as limited availability of retail stressed assets as compared to Corporate or SME and Other stressed assets, increased costs of due diligence and collections process associated with Retail loans and any change in regulations which may restrict our ability to increase the proportion of our Retail loans. An inability to increase the proportion of our Retail loans may adversely affect our business, financial condition and results of operations.

We cannot assure you that our future growth strategy will be successful. Our ability to manage our future growth will depend on our ability to continue to implement and improve operational, financial and management systems on a timely basis and to expand, train, motivate and manage our personnel. Failure to effectively manage this expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects.

32. ***Our business is subject to seasonality, which may contribute to fluctuations in our results of operations and financial condition.***

Our business is subject to seasonality as we generally see a surge in activity during the fourth quarter as banks and financial institutions sell stressed assets on their books before the end of the financial year to improve asset quality and meet regulatory provisioning norms. The second quarter also sees higher transaction volumes and asset acquisition due to banks and financial institutions conducting half-yearly financial assessments giving rise to a sale in stressed assets. Regulatory changes by the RBI may impact distressed asset acquisition volumes, while shifts in policy and government initiatives may temporarily create disruptions or opportunities. Economic downturns lead to higher defaults, and increased stressed asset acquisitions whereas economic recovery improves corporate balance sheets and retail financial health reduces the formation of new stressed assets. Accordingly, our results of operations and financial condition in one quarter may not accurately reflect the trends for the entire Fiscal and may not be comparable with our results of operations and financial condition for other quarters. There is no assurance that we will be able to successfully navigate seasonality in our operations.

33. ***We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.***

We have entered into transactions with related parties in the past in the ordinary course of business. These transactions principally include income from trusts managed by us which includes fees and other income, interest income and investment income. While all such transactions have been conducted on an arm's length basis, in accordance with the Companies Act and other applicable regulations pertaining to the evaluation and approval of such transactions, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Further, it is likely that we may enter into additional related party transactions in the future. All related party transactions that we may enter into post-listing, will be subject to Board or Shareholder approval, as applicable, and in compliance with the applicable accounting standards, provisions of Companies Act, 2013, as amended, provisions of the SEBI Listing Regulations and other applicable law, in the interest of the Company and its minority Shareholders.

The table below provides details of our aggregate related party transactions and the percentage of such related party transactions to our revenue from operations in the relevant years:

Particulars (on a consolidated basis)	Fiscal 2025	Fiscal 2024	Fiscal 2023
Aggregate amount of related party transactions	416.71	645.19	255.91
Revenue from operations	5,817.55	6,058.24	8,091.94
Aggregate amount of related party transactions as a percentage of revenue from operations	7.16%	10.65%	3.16%

Particulars (on a standalone basis)	Fiscal 2025	Fiscal 2024	Fiscal 2023
Aggregate amount of related party transactions	1,870.94	3,104.36	2,566.09
Revenue from operations	5,964.23	5701.41	7,513.14
Aggregate amount of related party transactions as a percentage of revenue from operations	31.37%	54.45%	34.15%

For further information on our related party transactions, see "*Offer Document Summary– Summary of Related Party Transactions*", "*Restated Financial Information - Restated Consolidated Financial Information – Note 44 – Related Party Transactions*" on pages 23 and 338, respectively.

34. ***Our branch offices are not located on land owned by us and we have only leasehold rights. In the event we lose or are unable to renew such leasehold rights, our business, results of operations, financial condition and cash flows may be adversely affected.***

Our branch offices are not located on land owned by us. For details of property currently utilized by us for operating our branch offices, on a leasehold basis, see "*Our Business- Description of our Business- Properties*" on page 196.

The termination of our lease agreements, or our failure to renew such agreements, on favourable conditions and in a timely manner, or at all, could require us to vacate such premises at short notice, which could adversely affect our business, results of operations, cash flows and financial condition. We cannot assure you that we will be able to renew any such arrangements when the term of the original arrangement expires, on similar terms or terms reasonable for us or obtain any consent required under these arrangements in a timely manner or at all. In the event that we are required to vacate our current premises, we would be required to make alternative arrangements, and we cannot assure that the new arrangements will be on commercially acceptable terms. While we have not faced any instances of difficulties in negotiating our lease arrangements or premature termination of existing lease agreements that led to any adverse effect on our business or operations in the last three Fiscals, we cannot assure you that such instances will not occur in the future.

35. ***Some of our Directors are or were not directors of listed companies and hence lack of adequate experience to address complexities associated with listed companies, could have an adverse impact on our business and operations.***

Except Pallav Mohapatra, Chief Executive Officer and Managing Director of our Company who has previously served as managing director and chief executive officer of Central Bank of India and as deputy managing director of State Bank of India, both of which are listed entities, Narayanan Subramaniam, Chairman and Non-Executive Independent Director of our Company, who was previously associated as a non-executive independent director on the board of directors of City Union Bank Limited, and is currently associated with Expleo Solutions Limited and Jyothy Labs Limited which is listed on stock exchanges in India, Sudarshan Sen, a Non-Executive Director of our Company who is a non-executive independent director on the board of directors of The Federal Bank Limited, PNB Housing Finance Limited, Pavan Pal Kaushal, a Non-Executive Director of our Company who is also a non-executive independent on the board of directors of PNB Housing Finance Limited which is also listed on stock exchanges in India, Raksha Shashikant Kothari, Independent Director of our Company who is also an independent director on the board of Kalpataru Projects International Limited, a listed entity and Prasad Parameswaranpillai Naga, an independent director of our Company who is on the boards of Axis Bank Limited, Styrenix Performance Materials Limited and Jyoti CNC Automation Limited, both of which are listed entities none of our other Directors are currently, or have been in the past directors on the board of any listed companies. For further details, see "*Our Management – Board of Directors*" on page 212. We cannot assure you if the lack of adequate experience of being on the board of listed companies will affect their ability to effectively address the specific complexities associated with being a listed company, which may not have any adverse impact on our operations as a listed company.

36. ***After the completion of the Offer, our Promoters will continue to collectively hold majority of the shareholding in our Company, which will allow them to influence the outcome of matters requiring shareholder approval.***

As on the date of this Draft Red Herring Prospectus, our Promoters collectively held 89.68% of the share capital of our Company. For details of their shareholding pre and post-Offer, see "*Capital Structure*" on page 91. After the completion of the Offer, our Promoters will continue to collectively hold majority of the shareholding in our Company and will continue to exercise significant influence over our business policies and affairs and all matters requiring Shareholders' approval, including the composition of our Board, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures or any other matter requiring special resolution. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these stockholders. The interests of the Promoters as our controlling shareholders could conflict with our interests or the interests of our other shareholders. We cannot assure you that the Promoters will act to resolve any conflicts of interest in our favour and any such conflict may adversely affect our ability to execute our business strategy or to operate our business. For further information in relation to the interests of our Promoters in the Company, see "*Our Management*" and "*Our Promoters and Promoter Group*" on pages 231 and 238, respectively.

37. ***We have certain contingent liabilities that have been disclosed in the Restated Consolidated Financial Information (₹ 581.04 million as of March 31, 2025), which if they materialize, may adversely affect our business, results of operations, financial condition and cash flows.***

As of March 31, 2025 our contingent liabilities that have been disclosed in our Restated Consolidated Financial Information, were as follows:

Particulars	**As at March 31, 2025 (₹ in million)**
a) Guarantees excluding financial guarantees	
– Bank guarantee furnished by the Company	20.00
b) Others	
– Service tax (see note below)	561.04
Total	581.04

Note: Directorate General of Central Excise Intelligence (DGCEI) and Office of Principal Commissioner of Service TAX-III has issued show cause notices demanding service tax to the extent of ₹ 561.04 million (apart from interest and penalty amount) relating to the period May 16, 2008 to June 30, 2017. Subsequently, an order has also been issued by Service Tax Commissionerate III, Mumbai in April 2017 demanding an amount of ₹ 458.51 million relating to the period May 16, 2008 to March 31, 2015 and the penalty as per order is ₹ 402.40 million whereas interest liability has not been quantified in the said order. Another order for the period of April 1, 2015 to June 30, 2017 issued by Office of the commissioner of CGST & Central Excise, Mumbai in June 2019 demanding amount of ₹ 102.53 million and the penalty as per order is ₹ 10.25 million whereas interest liability has not been quantified in the said order. Based on the legal opinion, the Company is confident of getting this order quashed and there is not expected to be any liability on the same. The Company has also preferred an appeal in the Tribunal against the order. Although the Company believes that it has a strong case on the aforesaid matter, however considering the amount and the time involved in the settlement of the case, the Company has deposited an amount of ₹ 561.04 million "under protest" to freeze the interest liability. No provision in this regard has been made in the accounts since no liability is expected to arise on the Company in this matter.

We cannot assure you that these contingent liabilities will not become established as liabilities. In the event any of these contingent liabilities become established as liabilities, it may have an adverse effect on our business, results of operations, financial condition and cash flows. Further, there can be no assurance that we shall not incur similar or increased levels of contingent liabilities in the future. For further details, see also "*Management's Discussion and Analysis of Financial Condition and Results of Operations- Contingent Liabilities and Commitments*" on page 410.

38. ***Certain sections of this Draft Red Herring Prospectus disclose information from the CRISIL Report which is a paid report and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.***

We have availed the services of an independent consulting company, CRISIL Limited ("**CRISIL**"), appointed by our Company pursuant to an engagement letter dated March 11, 2025 to prepare an industry report titled "*Analysis of Asset Reconstruction Industry in India*" dated July, 2025, for purposes of inclusion of such information in this Draft Red Herring Prospectus to understand the industry in which we operate. The CRISIL Report has been commissioned by our Company exclusively in connection with the Offer for a fee. Our Company, our Directors, and our Key Managerial Personnel are not related to CRISIL. This CRISIL Report is subject to various limitations and based upon certain assumptions that are subjective in nature. Further the commissioned report is not a recommendation to invest or divest in our Company. Prospective investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Draft Red Herring Prospectus, when making their investment decisions.

We operate across three business verticals, i.e., Corporate loans, SME and Other loans and Retail loans. We classify stressed assets that we acquire into these three business verticals based on the functional resolution and collection roles by our respective internal teams from our different verticals, which are determined through our internal assessment processes. However, the CRISIL Report classifies stressed assets in the asset reconstruction industry into Corporate/ Large borrower, MSME and Retail loans on the basis of the classification done by the RBI. Due to the difference in classification methodologies, the industry data presented in the CRISIL Report, relating to corporate, MSME and retail loans including data in connection with growth prospects in the respective stressed asset categories, may not directly correspond to or accurately reflect our internal classification or growth prospects of our respective business verticals. Prospective investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Draft Red Herring Prospectus, when making their investment decisions.

39. ***Failures or significant weakness in internal control systems could cause operational errors which may have an adverse effect on our reputation, business, results of operations, financial condition and cash flows.***

We are responsible for establishing and maintaining adequate internal control measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our operations adhere to our policies, compliance requirements and internal guidelines. We periodically test and update our internal processes and systems and there have been no instances of failure to maintain effective internal controls and compliance system in the last three Fiscals. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our equity shares.

40. ***Grant of stock options under our ESOP 2025 may result in a charge to our statement of profit and loss, and to that extent, affect our financial condition.***

Our Company may, in the future, continue to issue Equity Shares, including under our ESOP 2025, at prices which may be lower than the Offer Price, subject to compliance with applicable law. Grant of stock options results in the cost being recognized in our statement of profit and loss and an increment in our Other Equity on our balance sheet, and therefore, affects our financial condition. Any issuances of Equity Shares by our Company, including through an exercise of stock options pursuant to the ESOP 2025, or any stock option plan that we may implement in the future, may dilute your shareholding in the Company, thereby adversely affecting the trading price of the Equity Shares. For further details in connection with our ESOP 2025, see "*Capital Structure- Employee Stock Option Plan*" on page 103.

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

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance such as PAT margin, Return on Equity, EBITDA, EBITDA margin, Return on Net Worth and Net Asset Value, have been included in this Draft Red Herring Prospectus. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of the industry, many of which provide such non-GAAP financial measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed elsewhere in this Draft Red Herring Prospectus. These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies. For further information, see "*Other Financial Information*" on page 366.

42. ***Our insurance coverage may not be adequate or we may incur uninsured losses or losses in excess of our insurance coverage which could have an adverse impact on our business, results of operations, financial condition and cash flows.***

We generally maintain insurance covering our assets and operations at levels that we believe to be appropriate and consistent with industry standards in India. For further information on the insurance policies availed by us, see "*Our Business – Insurance*" on page 196. We cannot assure you that the renewal of our insurance policies in the future will be granted in a timely manner, at acceptable cost or at all.

We could face liabilities or otherwise suffer losses should any unforeseen incidents occur. Notwithstanding the insurance coverage that we carry, we may not be fully insured against certain types of risks. We cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part, on time, or at all. The table below sets forth details of the insurance amount claimed and insurance amount received for the years indicated:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Insurance amount claimed (₹ million)	Nil	0.13	0.14
Insurance amount received (₹ million)	Nil	0.11	0.06

To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business, results of operations, financial condition and cash flows could be adversely affected. Any damage suffered by us in excess of such limited coverage amounts, or in respect of uninsured events, not covered by such insurance policies will have to be borne by us. While we have not experienced any instance where we incurred losses exceeding our insurance coverage in the last three Fiscals, we cannot assure you that such instance will not arise in the future.

43. ***Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by shareholders with significant shareholding may adversely affect the trading price of the Equity Shares.***

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. Any disposal of Equity Shares by our major shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

44. ***Our Company may not be able to pay dividends in the future. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, profit after tax available for distribution, cash flows, working capital requirements and capital expenditure and the terms of our financing arrangements.***

Any dividends to be declared and paid in the future are required to be recommended by our Company's Board of Directors and approved by its Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. Our Company's ability to pay dividends in the future will depend upon our future results of operations, financial condition, profit after tax available for distribution, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our Company's shareholders in future consistent with our past practices, or at all. For information pertaining to dividend policy and dividends, see "*Dividend Policy*" on page 238.

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

Pursuant to the SEBI ICDR Regulations, QIBs and NIBs are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within three Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by the SEBI, events affecting the investors' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Investors' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

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

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

47. ***We expect to be classified as a passive foreign investment company ("PFIC"), which could result in adverse U.S. federal income tax consequences to U.S. investors that hold Equity Shares***

A non-U.S. corporation will be a PFIC for U.S. federal income tax purposes for any taxable year if either: (i) 75% or more of its gross income is passive income or (ii) 50% or more of the total value of its assets is attributable to assets, including cash, that produce or are held for the production of passive income. Our Company will be treated as owning its proportionate share of the assets and earning its proportionate share of the income of any other corporation in which it owns, directly or indirectly, 25% or more (by value) of the stock.

We expect to be a PFIC for the current taxable year. The determination of whether or not our Company is a PFIC is a factual determination that is made annually after the end of each taxable year, and there can be no assurance that our Company will or will not be considered a PFIC in the current taxable year or any future taxable year because, among other reasons, (i) the application of the PFIC rules to a non-U.S., non-bank financial company such as our Company is uncertain in several respects under current U.S. federal income tax law and (ii) the composition of our Company's income and assets will vary over time. Further, our Company's PFIC status may depend on the market price of its Equity Shares, which may fluctuate considerably. Prospective investors should consult their own tax advisors on whether and how the PFIC rules may apply to their investment in Equity Shares.

48. ***Our Company is not, and does not intend to become, regulated as an investment company under the U.S. Investment Company Act and related rules. The Volcker Rule may affect the ability of certain types of entities to purchase the Equity Shares.***

Our Company is relying on the exception provided by Section 3(c)(7) of the U.S. Investment Company Act to avoid being required to register as an investment company under the U.S. Investment Company Act and related rules. In order to help ensure compliance with the exception provided by Section 3(c)(7) of the U.S. Investment Company Act, our Company has implemented restrictions on the ownership and transfer of Equity Shares by any persons acquiring our Equity Shares in Offer who are in the United States or who are U.S. Persons (as defined in Regulation S under the U.S. Securities Act), which may affect your ability to transfer our Equity Shares. See "*Other Regulatory and Statutory Disclosures – Eligibility and Transfer Restrictions*" on page 436.

The Volcker Rule generally prohibits certain banking entities from acquiring or retaining an ownership interest in, sponsoring or having certain relationships with covered funds, subject to certain exceptions, exclusions and exemptions. As we are relying on an analysis that our Company does not come within the definition of an "investment company" under the U.S. Investment Company Act because of the exception provided under section 3(c)(7) thereunder, our Company may be considered a "covered fund" for purposes of the Volcker Rule. A "banking entity" generally includes any U.S. insured depository institution, any company that controls an U.S. insured depository institution (as defined in Section 3 of the U.S. Federal Deposit Insurance Act (12 U.S.C § 1813)), subject to certain exclusions), any company that is treated as a bank holding company for purposes of Section 8 of the U.S. International Banking Act of 1978, or any affiliate or subsidiary of any of the foregoing entities.

There may be limitations on the ability of banking entities to purchase or retain our Equity Shares in the absence of an applicable Volcker Rule exemption. Consequently, depending on market conditions and the banking entity status of potential purchasers of our Equity Shares from time to time, the Volcker Rule restrictions could negatively affect the liquidity and market value of our Equity Shares.

Any prospective investor in the Equity Shares should consult its own legal counsel regarding the potential impact of the Volcker Rule and its ability to purchase or retain the Equity Shares. None of our Company, the Book Running Lead Managers, any of their respective affiliates or any other person connected with the Offer makes any representation to any prospective investor or holder of our Equity Shares regarding the treatment of our Company under the Volcker Rule, or to such investor's investment in our Company at any time in the future.

49. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and wide-spread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder of our Company than as a shareholder of an entity in another jurisdiction.

50. Our Company will not receive any proceeds from the Offer.

The Offer comprises of an offer for sale of up to 105,463,892 Equity Shares aggregating up to ₹[●] million by the Selling Shareholders. The Selling Shareholders are, therefore, interested in the Offer proceeds to the extent of the Equity Shares offered by them in the offer for sale. The proceeds of the Offer, net of their respective share of Offer-related expenses, will be paid to the Selling Shareholders and our Company will not receive any portion of the proceeds from the Offer. For further details, see "*Objects of the Offer*" and "*Offer Structure*" on pages 105 and 456, respectively.

External Risk Factors

51. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects and results of operations.

The regulatory and policy environment in which we operate are evolving and are subject to change. The Government of India may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements.

For instance, the GoI has introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. Except certain portion of the Code on Wages, 2019, which have come into force pursuant to the notification by the Ministry of Labour and Employment, the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future and increase our expenses. Further, pursuant to the Finance Act, 2025, the Government of India has proposed income tax slabs and marginal tax rates against those slabs. There is no certainty on the impact of the full Union budget on tax laws or other regulations, which may adversely affect our business, financial condition, results of operations or on the industry in which we operate.

The Parliament of India has passed the Bharatiya Nyaya Sanhita, 2023, the Bharatiya Nagarik Suraksha Sanhita, 2023 and the Bharatiya Sakshya Adhiniyam, 2023, which have repealed the Indian Penal Code, 1860, the Code of Criminal Procedure, 1973 and the Indian Evidence Act, 1872, respectively, with effect from July 1, 2024. The effect of the provisions of these on us and the litigations involving us cannot be predicted with certainty at this stage.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations.

52. ***Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could adversely affect our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, financial condition or cash flows. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

53. ***A downgrade in ratings of India and other jurisdictions we operate in may affect the trading price of the Equity Shares.***

Our access to the debt capital markets depend significantly on the sovereign credit ratings of India. Any further adverse revisions to credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our ability to raise additional financing. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

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

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. 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. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent and our business in particular.

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

The Restated Financial Information is prepared in accordance with Ind AS and restated in accordance with requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013 (as amended), the SEBI ICDR Regulations (as amended) and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by the ICAI. Ind AS differs in certain significant respects from Indian GAAP, IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. We have not attempted to quantify their impact of US GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS. Prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

56. ***We may be affected by competition laws in India, the adverse application or interpretation of which could adversely affect our business.***

The Competition Act, 2002, of India, as amended ("**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India ("**AAEC**"). Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of consumers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished.

Further, the Competition Commission of India ("**CCI**") has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. In the event we pursue an acquisition in the future, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows and prospects. The manner in which the Competition Act and the CCI affect the business environment in India may also adversely affect our business, financial condition, cash flows and results of operations.

The Competition (Amendment) Act, 2023 ("**Competition Amendment Act**") amends the Competition Act and give the CCI additional powers to prevent practices that harm competition and the interests of consumers. The Competition Amendment Act, *inter alia*, modifies the scope of certain factors used to determine AAEC, reduces the overall time limit for the assessment of combinations by the CCI from 210 days to 150 days and empowers the CCI to impose penalties based on the global turnover of entities, for anti-competitive agreements and abuse of dominant position. The Competition Amendment Act also proposed amendments such as introduction of deal value thresholds for assessing whether a merger or acquisition qualifies as a "combination," expedited merger review timelines, codification of the lowest standard of "control" and enhanced penalties for failing to provide material information.

If we pursue acquisition transactions in the future, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, any enforcement proceedings initiated by the CCI, any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, or any prohibition or substantial penalties levied under the Competition Act, which would adversely affect our business, results of our operations, cash flows and prospects.

57. ***The Indian tax regime has undergone substantial changes which could adversely affect our business and the trading price of the Equity Shares.***

Any change in Indian tax laws could have an effect on our operations. The GoI has implemented two major reforms in Indian tax laws, namely the Goods and Services Tax ("**GST**"), and provisions relating to general anti-avoidance rules ("**GAAR**"). The indirect tax regime in India has undergone a complete overhaul. The indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge and excise have been replaced by GST with effect from July 1, 2017. The GST regime continues to be subject to amendments and its interpretation by the relevant regulatory authorities is constantly evolving. GAAR became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement may result in, among others, a denial of tax benefit to us and our business. In the absence of any substantial precedents on the subject, the application of these provisions is subjective. If the GAAR provisions are made applicable to us, it may have an adverse tax impact on us. Further, if the tax costs associated with certain of our transactions are greater than anticipated because of a particular tax risk materializing on account of new tax regulations and policies, it could affect our profitability from such transactions.

Earlier, distribution of dividends by a domestic company was subject to Dividend Distribution Tax ("**DDT**"), in the hands of the company at an effective rate of 20.56% (inclusive of applicable surcharge and cess). Such dividends were generally exempt from tax in the hands of the shareholders. However, the GoI has amended the Income-tax Act, 1961 ("**IT Act**") to abolish the DDT regime. Accordingly, any dividend distribution by a domestic company is subject to tax in the hands of the investor at the applicable rate. Additionally, the Company is required to withhold tax on such dividends distributed at the applicable rate.

Further, the Finance Act, 2025, was notified on March 29, 2025, which has introduced various amendments to the IT Act. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Equity Shares. There is no certainty on the impact that the Finance Act, 2025 may have on our business and operations or on the industry in which we operate. 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.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether if at all, any laws or regulations would have an adverse effect on our business. Further, any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability. In addition, we are subject to tax related inquiries and claims.

58. ***The determination of the Price Band is based on various factors and assumptions and the Offer Price, price to earnings ratio and market capitalization to revenue multiple based on the Offer Price of our Company, may not be indicative of the market price of the Company on listing or thereafter.***

Our revenue from operations for Fiscal 2025 was ₹ 5,817.55 million and restated profit for the year for Fiscal 2025 was ₹ 3,092.39 million. The table below provides details of our price to earnings ratio and market capitalization to revenue from operations at the upper end of the Price Band:

Particulars	Price to Earnings Ratio	Market Capitalization to Revenue
Fiscal 2025	[●]*	[●]*

* *To be populated at Prospectus stage.*

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company in consultation with the BRLMs. The relevant financial parameters based on which the Price Band will be determined shall be disclosed in the advertisement that will be issued for the publication of the Price Band. Further, the Offer Price of the Equity Shares is proposed to be determined on the basis of assessment of market demand for the Equity Shares offered through the book-building process prescribed under the SEBI ICDR Regulations, and certain quantitative and qualitative factors as set out in the section "*Basis for the Offer Price*" on page 107 and the Offer Price, multiples and ratios may not be indicative of the market price of the Company on listing or thereafter.

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

The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, announcements by third parties or governmental entities of significant claims or proceedings against us, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. As a result, we cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing. Further, the market price of the Equity Shares may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price.

59. ***Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure ("ASM") and Graded Surveillance Measures ("GSM") by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.***

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advice investors to be extra cautious while dealing in these securities and advice market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where such trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

On listing, we may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the Offer due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence of any of the abovementioned factors may trigger the parameters identified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, customer concentration and close to close price variation.

In the event our Equity Shares are covered under such pre-emptive surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in relation to trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active market for and trading of our Equity Shares.

60. The Equity Shares have never been publicly traded and the Offer may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and the investors may be unable to resell the Equity Shares at or above the Offer Price, or at all.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the stock exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Our Equity Shares are expected to trade on NSE and BSE after the Offer, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell the Equity Shares at the quoted price if there is no active trading in our Equity Shares. There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after the Offer could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Draft Red Herring Prospectus. The market price of our Equity Shares may be influenced by many factors, some of which are beyond our control, including, among others:

- the failure of security analysts to cover the Equity Shares after the Offer, or changes in the estimates of our performance by analysts;
- the activities of competitors and suppliers;
- future sales of the Equity Shares by us or our Shareholders;
- investor perception of us and the industry in which we operate;
- changes in accounting standards, policies, guidance, interpretations of principles;
- our quarterly or annual earnings or those of our competitors;
- developments affecting fiscal, industrial or environmental regulations; and
- the public's reaction to our press releases and adverse media reports.

A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

61. Investors may be subject to Indian taxes arising out of income arising on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax ("**STT**") is levied both at the time of transfer and acquisition of the equity shares (unless exempted under a prescribed notification), and the STT is collected by an Indian stock exchange on which the equity shares are sold. Any capital gain realized on the sale of listed equity shares on a recognised stock exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the recognised stock exchanges, the quantum of gains, and any available treaty relief.

The Government of India announced the union budget for Financial Year 2025-2026, following which the Finance Bill, 2025 ("**Finance Bill**") was introduced in the Lok Sabha on February 1, 2025. Subsequently, the Finance Bill received the assent from the President of India and became the Finance Act, 2025, with effect from April 1, 2025 as amended by the Finance Act (No.2), ("**Finance Act**"). Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Equity Shares.

The Finance Act, 2025 had amended certain sections of the Income Tax Act, 1961. Accordingly, long term capital gains exceeding the exempted limit of ₹125,000 arising from the sale of listed equity shares on the stock exchange are subject to tax at the rate of 12.5% (plus applicable surcharge and cess). Unrealized capital gains earned on listed equity shares up to January 31, 2018 continue to be tax-exempted in such cases. Further, STT will be levied and collected by an Indian stock exchange if the equity shares are sold on a stock exchange. With respect to capital gains arising in an off market sale, long term capital gains are subject to tax at the rate of 10% (plus applicable surcharge and cess) without the exemption of ₹100,000.

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Short-term capital gains, arising from the sale of such equity shares on a stock exchange would be subject to tax at the rate of 15% (plus applicable surcharge and cess) for transfers taking place before July 23, 2024.

However, per the Finance Act, 2024, short-term capital gains is taxed at 20% for transfers taking place after July 23, 2024. The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020. It clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, is specified at 0.015% (on a delivery basis) and 0.003% (on a non-delivery basis) of the consideration amount.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident read with the Multilateral Instrument, if and to the extent applicable, and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain realised upon the sale of the Equity Shares. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends.

Additionally, any dividend distributed by a domestic company is subject to tax in the hands of the investor at the applicable rate. Further, our Company is required to withhold tax on such dividends distributed at the applicable rate. Non-resident shareholders may claim benefit of the applicable tax treaty, subject to satisfaction of certain conditions. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident Shareholder for the purposes of deducting tax at source pursuant to any corporate action, including dividends. Any business income realized from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller.

We cannot predict whether any amendments made pursuant to the Finance Act would have an adverse effect on our business, results of operations, financial condition and cash flows. Unfavorable changes in or interpretations of existing laws, rules and regulations, or the promulgation of new laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

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

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. The Allotment and transfer of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately two Working Days from the Bid Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within three Working Days of the Bid Closing Date. There could be a failure or delay in the listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise any delay in commencing trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods. For further details, see "*Offer Procedure*" on page 459.

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

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior approval of the RBI will be required. Further, 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. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all. Further, due to possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increase or limiting losses during periods of price decline.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Non-debt Rules, all investments under the foreign direct investment route by entities of a country or where the beneficial owner of the Equity Shares is situated in or is a citizen of any such country, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. While the term "beneficial owner" is defined under the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and the General Financial Rules, 2017, neither the foreign direct investment policy nor the FEMA Rules provide a definition of the term "beneficial owner". The interpretation of "beneficial owner" and enforcement of this regulatory change involves certain uncertainties, which may have an adverse effect on our ability to raise foreign capital. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. These investment restrictions shall also apply to subscribers of offshore derivative instruments. Additionally, there is uncertainty regarding the timeline within which the said approval from the GoI may be obtained, if at all.

For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 477.

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

Upon listing, the Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of the Equity Shares will be paid in Indian Rupees and subsequently converted into appropriate foreign currency for repatriation. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders.

SECTION III – INTRODUCTION

THE OFFER

The details of the Offer are summarized below:

Equity Shares Offered	
Offer of Equity Shares of face value of ₹ 10 each by way of Offer for Sale by the Selling Shareholders (1) (2)	Up to 105,463,892 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million
The Offer comprises of:	
QIB Portion (3)(7)	Not more than [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million
of which	
- Anchor Investor Portion	Up to [●] Equity Shares of face value of ₹ 10 each
- Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares of face value of ₹ 10 each
of which	
- Mutual Fund Portion (5% of the Net QIB Portion)	[●] Equity Shares of face value ₹ 10 each
- Balance of the Net QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares of face value of ₹ 10 each
Non-Institutional Portion(4)(5)(7)	Not less than [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million
Of which	
One-third of the Non-Institutional Portion, available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million	[●] Equity Shares of face value of ₹ 10 each
Two-thirds of the Non-Institutional Portion, available for allocation to Bidders with an application size of more than ₹ 1.00 million	[●] Equity Shares of face value of ₹ 10 each
Retail Portion(5)(6)(7)	Not less than [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million
Pre- and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as on the date of this Draft Red Herring Prospectus) and after the Offer	324,897,140 Equity Shares of face value of ₹ 10 each
Use of Offer proceeds	Our Company will not receive any proceeds from the Offer for Sale. For further details, see "*Objects of the Offer*" on page 105 for details regarding the use of the Offer Proceeds

(1) The Offer has been authorised by a resolution of our Board of Directors at their meeting held on July 30, 2025.

(2) Our Board has taken on record the consent of each of the Selling Shareholders to severally and not jointly participate in the Offer for Sale pursuant to its resolution dated July 30, 2025. Each of the Selling Shareholders has, severally and not jointly, authorised its respective participation in the Offer for Sale to the extent of its respective portion of the Offered Shares, as set out below:

Selling Shareholders	***Aggregate number of Equity Shares being offered in the Offer for Sale***	***Date of corporate approval/ authorisation***	***Date of consent letter***
Avenue India Resurgence Pte. Ltd.	*Up to 68,739,034 Equity Shares of face value of ₹10 each*	*June 5, 2025*	*July 28, 2025*
State Bank of India	*Up to 19,445,000 Equity Shares of face value of ₹10 each*	*June 24, 2025*	*July 29, 2025*
Lathe Investment Pte. Ltd.	*Up to 16,244,858 Equity Shares of face value of ₹10 each*	*May 19, 2025*	*July 29, 2025*
The Federal Bank Limited	*Up to 1,035,000 Equity Shares of face value of ₹10 each*	*June 20, 2025*	*July 28, 2025*

Further, each of the Selling Shareholders, severally and not jointly, confirmed that its respective portion of the Offered Shares have been held by them, for a period of at least one year prior to filing of this Draft Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations. For details on the authorization of the Selling Shareholders in relation to their respective portion of the Offered Shares, see "Other Regulatory and Statutory Disclosures" on page 433.

(3) Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will be accordingly reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In case of under-subscription or non- Allotment in the Anchor Investor Portion, the remaining Equity Shares will be added back to the Net QIB Portion. Further, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than [●] Equity Shares of face value of ₹10 each, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIBs (other than Anchor Investors) in proportion to their Bids. See "Offer Procedure" on page 459.

(4) Further, (a) one-third of the portion available to NIBs shall be reserved for applicants with application size of more than ₹0.20 million and up to ₹1.00 million and (b) two-third of the portion available to NIBs shall be reserved for applicants with application size of more than ₹1.00 million. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of NIBs. The allocation to each NIB shall not be less than the applicable minimum application size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

(5) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the Book Running Lead Managers, and the Designated Stock Exchange, subject to applicable laws. Under-subscription, if any, in the Net QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

(6) SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022,

where the application amount is up to ₹0.50 million, shall use the UPI Mechanism. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹0.20 million and up to ₹0.50 million, using the UPI Mechanism, shall provide their UPI ID in the Bid cum Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain broker.

(7) Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Bidders and Retail Individual Bidders, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Non-Institutional Bidder and Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Non-Institutional Portion and Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis in accordance with the SEBI ICDR Regulations.

Pursuant to Rule 19(2)(b) of the SCRR, the Offer is being made for at least [●]% of the post-Offer paid-up Equity Share capital of our Company. For further details, see "*Terms of the Offer*", "*Offer Structure*" and "*Offer Procedure*" on pages 450, 456 and 459 respectively.

SUMMARY OF RESTATED FINANCIAL INFORMATION

The summary financial information presented below should be read in conjunction with "*Restated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 248 and 372, respectively. The following tables set forth summary financial information derived from our Restated Standalone Financial Information as at and for the Fiscals ended March 31, 2025, March 31, 2024, and March 31, 2023 and Restated Consolidated Financial Information as at and for the Fiscals ended March 31, 2025, March 31, 2024, and March 31, 2023.

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RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(in ₹ million, unless otherwise specified)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
ASSETS			
Financial assets			
Cash and Cash Equivalents	1,369.08	3,324.83	2,004.32
Bank Balance other than Cash and Cash Equivalents	1,217.81	770.48	2,207.21
Trade Receivables	720.50	729.74	566.77
Investments	27,716.51	20,623.94	17,769.62
Other Financial Assets	242.09	174.37	154.96
Total Financial Assets (I)	31,265.99	25,623.36	22,702.88
Non-financial Assets			
Current Tax Assets (Net)	355.88	1,318.93	1,561.02
Property, Plant and Equipment	354.61	369.97	378.42
Other Intangible Assets	37.49	3.19	1.33
Intangible Assets Under Development	6.76	33.00	-
Other Non-Financial Assets	617.43	604.91	594.31
Total Non-financial Assets (II)	**1,372.17**	**2,330.00**	**2,535.08**
TOTAL ASSETS (I)+(II)	**32,638.16**	**27,953.36**	**25,237.96**
LIABILITIES AND EQUITY			
Financial Liabilities			
Payables			
- total outstanding dues of micro enterprises and small enterprises	3.41	2.00	0.17
- total outstanding dues of creditors other than micro enterprises and small enterprises	15.13	12.23	3.23
Borrowings (other than Debt securities)	3,059.86	1,499.47	1,180.13
Other Financial Liabilities	298.00	1,121.55	509.06
Total Financial Liabilities (III)	**3,376.40**	**2,635.25**	**1,692.59**
Non-financial Liabilities			
Provisions	421.53	404.74	435.08
Deferred Tax Liabilities (Net)	456.55	106.24	181.64
Other Non-Financial Liabilities	705.70	182.02	531.22
Total Non-financial Liabilities (IV)	**1,583.77**	**693.00**	**1,147.94**
Equity			
Equity Share Capital	3,248.97	3,248.97	3,248.97
Other Equity	24,429.01	21,376.14	19,148.46
Total Equity (V)	**27,677.98**	**24,625.11**	**22,397.43**
TOTAL LIABILITIES AND EQUITY (III)+(IV)+(V)	**32,638.16**	**27,953.36**	**25,237.96**

RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(in ₹ million, unless otherwise specified)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from Operations			
Fees and Other Income	1,719.08	1,788.71	1,734.55
Other Operating Income	1,922.53	823.38	1,635.17
Recovery of Security Receipts, Unrealized Fee & Expenses (written off earlier)	1,000.32	2,874.74	1,408.98
Interest Income	137.84	214.58	295.15
Net Gain on Fair Value Changes-Unrealised	1,184.46	-	2,439.29
Total Revenue from Operations (I)	**5,964.23**	**5,701.41**	**7,513.14**
Other Income (II)	269.76	39.65	23.97
Total Income (III=I+II)	6,233.99	5,741.06	7,537.11
Expenses			
Finance Costs	113.31	40.06	15.98
Impairment of Financial Instruments/ Financial Assets	38.93	23.90	(233.32)
Employee Benefits Expenses	609.42	556.60	547.78
Depreciation, Amortization and Impairment	21.53	19.32	21.41
Write off of Security Receipts, Unrealized Fee & Expenses	367.13	492.64	3,786.31
Other Expenses	311.29	258.57	183.83
Net Loss on Fair Value Changes-Unrealised	-	258.02	-
Total Expenses (IV)	**1,461.61**	**1,649.11**	**4,321.99**
Profit before tax (V=III-IV)	**4,772.38**	**4,091.95**	**3,215.12**
Tax Expense (VI)			
(1) Current Tax	868.88	1,113.94	357.21
(2) Deferred Tax	350.31	(75.40)	466.67
	1,219.19	**1,038.54**	**823.88**
Profit for the year (VII=V-VI)	**3,553.19**	**3,053.41**	**2,391.24**
Other Comprehensive Income			
a. Items that will not be realised to profit & loss			
- Remeasurement of defined benefit plans	(17.33)	(18.03)	(6.69)
b. Income tax relating to items that will not be realised to profit & loss	4.36	4.54	1.68
Total Other Comprehensive Income (a+b)	**(12.97)**	**(13.49)**	**(5.01)**
Comprehensive Income for the Year	**3,540.22**	**3,039.92**	**2,386.23**
Earnings per equity share: (Nominal Value ₹10/- per share) - Basic and diluted (in ₹)	10.94	9.40	7.36

RESTATED STANDALONE STATEMENT OF CASH FLOWS

(in ₹ million, unless otherwise specified)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES:			
Profit Before Tax	4,772.38	4,091.95	3,215.12
Adjustments for:			
Security Receipts written off	204.01	49.46	2,491.28
Realisation against investments written off in previous years	(144.17)	(1,454.95)	(918.90)
Unrealised fees & expenses written off (net)	(693.02)	(976.61)	804.95
Profit on sale of Property, plant & equipment	(0.29)	(0.34)	(0.09)
Depreciation, amortization and impairment	21.53	19.32	21.41
Profit on sale of equity shares	(1.16)	-	-
Profit on mutual fund redemption	(12.98)	-	-
Fair Value (gain)/ loss on equity shares	0.59	(0.55)	0.15
Fair Value (gain)/ loss on Security Receipts	(1,184.74)	258.57	(2,439.44)
Fair Value (gain)/ loss on mutual funds	(0.31)	-	-
Impairment gain/(loss) on financial instruments	38.93	23.90	(233.33)
Interest on Income Tax Refund	(217.82)	(7.88)	-
Interest on Priority Debt Funding	-	-	(76.16)
Interest on deposits with Banks	(99.04)	(136.33)	(126.84)
Finance cost	113.31	40.06	15.98
Operating Cash Flow before Working Capital changes	2,797.22	1,906.60	2,754.14
Working Capital Changes:			
Decrease / (Increase) in Trade Receivables	394.25	394.57	70.65
Decrease / (Increase) in Other Financial and Non-Financial Assets	188.83	365.06	875.41
Increase / (Decrease) in Payables	4.32	10.82	(34.57)
Increase / (Decrease) Other Financial Liabilities	(815.93)	610.07	44.05
Increase/ (Decrease) in Remeasurements of defined benefit plans	(17.33)	(18.03)	(6.69)
Increase / (Decrease) in Other Non-Financial Liabilities and Provisions	540.47	(379.54)	(358.48)
Cash generated from operations	3,091.83	2,889.56	3,344.51
Direct taxes paid (net of refunds)	98.53	(867.02)	(628.15)
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	**3,190.36**	**2,022.54**	**2,716.36**
CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of Fixed Assets including capital advances	(15.47)	(43.96)	(8.34)
Proceeds from Sale of Fixed Assets	0.32	1.25	0.71
Proceeds from redemption of Investments	7,246.08	7,748.44	5,100.19
Investments in Security Receipts	(12,814.86)	(9,449.68)	(8,166.61)
Investments in Mutual Fund	(2,719.87)	-	-
Receipt of Priority Debt Funding	-	-	180.00
Proceeds from sale of equity shares/NCDs	1.98	-	-
Redemption in Mutual Fund	2,332.88	-	-
(Increase) / Decrease in Bank deposits not considered as cash & cash equivalent	(425.37)	1,387.65	(777.89)
(Increase) / Decrease in earmarked constituent balances	(15.71)	48.47	(18.58)
Interest on Income Tax Refund	217.82	7.88	-
Interest on Priority Debt Funding	-	-	113.35
Interest Received on deposits with bank	92.79	136.94	127.26
NET CASH (USED IN) INVESTING ACTIVITIES (B)	**(6,099.42)**	**(163.01)**	**(3,449.91)**
CASH FLOW FROM FINANCING ACTIVITIES:			
Proceeds / (Repayment) from Short Term Borrowings (net)	1,059.82	(180.53)	231.26
Proceeds / (Repayment) from Term Loan (net)	500.00	500.00	(320.00)
Dividend paid	(487.35)	(812.24)	(324.90)
Finance cost	(112.45)	(38.82)	(14.52)
Repayment of Lease Liabilites	(6.72)	(7.44)	(6.93)
NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	**953.30**	**(539.03)**	**(435.09)**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(1,955.75)**	**1,320.50**	**(1,168.64)**
Cash and Cash Equivalents at the beginning of the year	**3,324.83**	**2,004.33**	**3,172.97**
Cash and Cash Equivalents at the end of the year	**1,369.08**	**3,324.83**	**2,004.33**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Components of Cash & Cash Equivalents			
Balances with banks			
- on current account	257.91	956.79	175.99
- on deposits with maturity less than 3 months	1,111.17	2,368.04	1,828.28
Cash on hand	-	-	0.05
	1,369.08	**3,324.83**	**2,004.33**

RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(in ₹ million, unless otherwise specified)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
ASSETS			
Financial assets			
Cash and Cash Equivalents	1,832.53	3,592.64	2,442.73
Bank Balance other than Cash and Cash Equivalents	7,137.79	6,163.65	3,484.45
Trade Receivables	538.80	623.11	496.85
Loans	21,586.47	14,483.88	7,924.55
Investments	11,215.95	9,137.54	10,901.10
Other Financial Assets	197.95	191.70	91.66
Total Financial Assets (I)	**42,509.49**	**34,192.51**	**25,341.34**
Non-financial Assets			
Current Tax Assets (Net)	434.06	1,363.31	1,580.46
Property, Plant and Equipment	354.61	369.97	378.43
Other Intangible Assets	37.50	3.19	1.32
Intangible Assets Under Development	6.76	33.00	-
Other Non-Financial Assets	617.43	604.91	594.21
Total Non-financial Assets (II)	**1,450.36**	**2,374.38**	**2,554.42**
TOTAL ASSETS (I)+(II)	**43,959.85**	**36,566.89**	**27,895.76**
LIABILITIES AND EQUITY			
Financial Liabilities			
Payables			
- total outstanding dues of micro enterprises and small enterprises	3.41	2.00	0.17
- total outstanding dues of creditors other than micro enterprises and small enterprises	15.13	12.23	3.23
Borrowings (other than Debt securities)	3,059.86	1,499.47	1,180.13
Security Receipts	6,254.52	3,316.41	978.39
Other Financial Liabilities	6,286.49	6,729.49	2,032.13
Total Financial Liabilities (III)	**15,619.41**	**11,559.60**	**4,194.05**
Non-financial Liabilities			
Provisions	421.53	404.74	435.08
Deferred Tax Liabilities (Net)	456.55	106.24	181.64
Other Non-Financial Liabilities	830.96	231.19	643.44
Total Non-financial Liabilities (IV)	**1,709.04**	**742.16**	**1,260.15**
Equity			
Equity Share Capital	3,248.97	3,248.97	3,248.97
Other Equity			
Company	30,931.13	27,512.42	24,867.31
Non Controlling Interest	(7,548.69)	(6,496.25)	(5,674.72)
Total Equity (V)	**26,631.41**	**24,265.14**	**22,441.56**
TOTAL LIABILITIES AND EQUITY (III)+(IV)+(V)	**43,959.85**	**36,566.89**	**27,895.76**

RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(in ₹ million, unless otherwise specified)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from Operations			
Fees and Other Income	1,275.95	1,466.75	1,644.29
Other Operating Income	1,988.01	1,498.95	1,839.04
Recovery of Security Receipts, Unrealized Fee & Expenses (written off earlier)	1,000.31	2,875.52	1,408.97
Interest Income	206.59	217.01	352.12
Net Gain on Fair Value Changes-Unrealised	1,346.69	-	2,847.52
Total Revenue from Operations (I)	**5,817.55**	**6,058.24**	**8,091.94**
Other Income (II)	260.82	36.65	34.73
Total Income (III=I+II)	**6,078.37**	**6,094.89**	**8,126.67**
Expenses			
Finance Costs	113.31	61.38	15.98
Impairment of Financial Instruments/ Financial Assets	28.46	19.43	(233.80)
Employee Benefits Expenses	609.41	556.59	547.79
Depreciation, Amortization and Impairment	21.53	19.32	21.41
Write off of Security Receipts, Unrealized Fee & Expenses	367.13	492.64	3,786.34
Other Expenses	626.94	559.56	125.66
Net Loss on Fair Value Changes-Unrealised	-	238.55	-
Total Expenses (IV)	**1,766.79**	**1,947.47**	**4,263.39**
Profit before tax (V=III-IV)	**4,311.58**	**4,147.42**	**3,863.28**
Tax Expense (VI)			
(1) Current Tax	868.88	1,113.94	357.21
(2) Deferred Tax	350.31	(75.40)	466.67
(3) Tax adjustment for previous years	-	-	-
	1,219.19	**1,038.54**	**823.88**
Profit for the year (VII=V-VI)	**3,092.39**	**3,108.87**	**3,039.40**
Other Comprehensive Income			
a. Items that will not be realised to profit & loss			
– Remeasurement of defined benefit plans	(17.33)	(18.03)	(6.69)
b. Income tax relating to items that will not be realised to profit & loss	4.36	4.54	1.69
Total Other Comprehensive Income (a+b)	**(12.97)**	**(13.49)**	**(5.01)**
Comprehensive Income for the Year	**3,079.42**	**3,095.38**	**3,034.40**
Share in profit / (loss) of Associates	8.91	31.71	20.72
Profit for the year attributable to :-			
Non Controlling Interest(SR holder)	(193.78)	(164.07)	194.14
Company	3,295.08	3,304.65	2,865.99
Other Comprehensive income attributable to :-			
Non Controlling Interest(SR holder)	-	-	-
Company	(12.97)	(13.49)	(5.01)
Total Comprehensive income attributable to :-			
Non Controlling Interest (SR holder)	(193.78)	(164.07)	194.14
Company	3,282.11	3,291.16	2,860.98
Earnings per equity share: (Nominal Value ₹10/- per share) - Basic and diluted (in ₹)	10.14	10.17	8.82

RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS

(in ₹ million, unless otherwise specified)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES:			
Profit Before Tax	**4,311.58**	**4,147.42**	**3,863.28**
Adjustments for:		-	-
Security Receipts written off	204.01	49.46	2,491.28
Realisation against investments written off in previous years	(144.17)	(1,454.95)	(918.90)
Unrealised fees & expenses written off (net)	(693.02)	(977.39)	804.99
Profit on sale of Property, plant & equipment	(0.30)	(0.34)	(0.09)
Depreciation, amortization and impairment	21.53	19.32	21.41
Profit on sale of equity shares	(1.16)	1.82	(5.00)
Profit on mutual fund redemption	(12.98)	-	-
Fair Value (gain)/ loss on equity shares	1.47	(135.10)	(42.10)
Fair Value (gain)/loss on Security Receipts	(1,347.85)	373.65	(2,805.42)
Loss/(Profit) on sale of Mutual Fund	(0.31)	-	-
Impairment Loss on financial instruments/Other Financial Assets	28.46	19.43	(233.80)
Gain/ (Loss) on Consolidation	(225.82)	(459.51)	(501.79)
Interest on Priority Debt Funding	-	-	(76.16)
Interest on Income Tax Refund	(217.82)	(7.88)	-
Interest on deposits with Banks	(176.74)	(200.61)	(200.86)
Finance cost	113.31	61.38	15.98
Operating Cash Flow before Working Capital changes	**1,860.20**	**1,436.70**	**2,412.83**
Working Capital Changes:			
(Increase) / Decrease in Trade Receivables	476.34	434.46	85.41
(Increase) / Decrease in Other Financial and Non-Financial Assets	253.63	286.14	1,201.77
Increase / (Decrease) in Payables	4.32	10.83	(34.57)
Increase / (Decrease) Other Financial Liabilities	(435.33)	4,700.91	332.06
Increase/ (Decrease) in Remeasurements of defined benefit plans	(17.33)	(18.03)	(6.69)
Increase / (Decrease) in Other Non Financial Liabilities and Provisions	616.56	(442.59)	(263.37)
Cash generated from operations	**2,758.37**	**6,408.41**	**3,727.43**
Direct taxes paid (net of refunds)	64.81	(892.15)	(774.19)
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	**2,823.19**	**5,516.26**	**2,953.25**
CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of Fixed Assets including capital advances	(15.47)	(43.96)	(8.34)
Proceeds from Sale of Fixed Assets	0.32	1.25	0.71
Interest Received on debentures	(0.00)	-	-
Interest Received on deposits	176.74	200.61	200.86
Interest on Loan	-	-	113.35
Interest on Income Tax Refund	217.82	7.88	-
Investments in Loans (Net)	(7,102.59)	(6,559.33)	(1,803.16)
Investment in Security Receipts (Net)	(392.41)	2,848.15	(1,548.78)
Investment in Equity Shares (Net)	1.99	80.60	37.31
Investments in Mutual Fund	(2,719.87)	-	-
Redemption in Mutual Fund	2,332.88	-	-
SRs issued/ Distributed (Net)	2,938.11	2,338.02	402.03
Increase / (Decrease) in Bank deposits not considered as cash & cash equivalent	(431.62)	1,388.26	(777.47)
Increase / (Decrease) in earmarked constituent balances	(542.52)	(4,067.47)	(249.47)
NET CASH (USED IN) INVESTING ACTIVITIES (B)	**(5,536.61)**	**(3,806.00)**	**(3,632.97)**
CASH FLOW FROM FINANCING ACTIVITIES:			
Proceeds / (Repayment) from Short Term Borrowings (net)	1,059.83	(180.53)	231.26
Proceeds from Term Loan	500.00	500.00	(320.00)
Dividend pay out	(487.35)	(812.24)	(324.90)
Finance cost	(112.75)	(61.51)	(15.85)
Repayment of Lease Liabilities	(6.42)	(6.08)	(5.60)
NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	**953.31**	**(560.36)**	**(435.09)**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(1,760.11)**	**1,149.90**	**(1,114.81)**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash and Cash Equivalents at the beginning of the year	**3,592.64**	**2,442.73**	**3,557.54**
Cash and Cash Equivalents at the end of the year	**1,832.53**	**3,592.64**	**2,442.73**
Components of Cash & Cash Equivalents			
Balances with banks			
- on current account	721.36	1,224.60	614.40
- on deposits with maturity less than 3 months	1,111.17	2,368.04	1,828.28
Cash on hand	-	-	0.05
	1,832.53	**3,592.64**	**2,442.73**

GENERAL INFORMATION

Registered and Corporate Office of our Company

Asset Reconstruction Company (India) Limited
The Ruby, 10th Floor
29 Senapati Bapat Marg, Dadar (West)
Mumbai – 400 028
Maharashtra, India

For details of our incorporation and changes in the registered office address of our Company, see "*History and Certain Corporate Matters – Brief history of our Company*" and "*History and Certain Corporate Matters – Changes in registered office of our Company*" on pages 203 and 203, respectively.

Company Registration Number: 134884

Corporate Identity Number: U65999MH2002PLC134884

Address of the Registrar of Companies

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

Registrar of Companies, Maharashtra at Mumbai

Everest, 100 Marine Drive
Mumbai, 400 002
Maharashtra, India

Filing of the Offer Document

A copy of this Draft Red Herring Prospectus has been filed electronically on the SEBI intermediary portal at https://siportal.sebi.gov.in as specified in Regulation 25(8) of the SEBI ICDR Regulations and the SEBI ICDR Master Circular. It will also be filed with the SEBI at:

Securities and Exchange Board of India
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex
Bandra (E)
Mumbai 400 051
Maharashtra, India

The Red Herring Prospectus and Prospectus, respectively, will be filed with the RoC in accordance with Section 32 read with Section 26 of the Companies Act, along with the material contracts and documents referred to in each of the Red Herring Prospectus and the Prospectus, respectively, and through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do.

Board of Directors

The table below sets forth the details of the constitution of our Board of Directors as on the date of this Draft Red Herring Prospectus:

Name	Designation	DIN	Address
Narayanan Subramaniam	Chairman and Non-Executive Independent Director	00166621	1309 - A, Beverly Park - 2, M.G. Road, Near M.G. Road Metro Station, DLF Phase -2, Chakarpur (74), Gurgaon - 122 002, Haryana, India
Pallav Mohapatra^	Chief Executive Officer and Managing Director	02300885	Flat No. T6/204, 2nd Floor, Crescent Bay, Jerbai Wadia Road, Nr Mahatama Phule Education Society, Parel, Dadar, Mumbai - 400 012, Maharashtra, India
Sudarshan Sen(1)*	Non-Executive Director	03570051	18th Floor, 1802, Godrej Platinum, Tower B4, Opposite Godrej Memorial Hospital, Pirojsha Nagar, Vikhroli (East), Mumbai - 400 079, Maharashtra, India
Ashish Shukla(1)	Non-Executive Director	09145210	329 River Valley Road, Apt 05-03 Singapore, 238 361

Name	Designation	DIN	Address
Ashok Kumar Sharma(2)	Non-Executive Director	09832521	Flat No. 16C, Madhuban, Gen. J. Bhosale Marg, Opp. Y.B. Chavan Auditorium, Nariman Point, Mumbai – 400 021, Maharashtra, India
Pavan Pal Kaushal	Non-Executive Independent Director	07117387	E-2 1402 World Crest World Towers Lodha Place, Senapati Bapat Marg, Lower Parel, Delisle Road, Mumbai, Maharashtra – 400 013
Balachander Rajaram	Non-Executive Independent Director	08012912	D-97 Anand Niketan, South West Delhi, Delhi - 110021 India
Raksha Shashikant Kothari	Non-Executive Independent Director	02184815	2/6, Pashmina Apartment, G. Deshmukh Marg, Pedder Road, Cumbulla Hill, Mumbai - 400 026, Maharashtra, India
Prasad Parameswaranpillai Naga	Additional Non-Executive Independent Director	07430506	Villa No. 39, AJL Serenewoods, PVIP Canal Road, Near Assisi Junction, Ashokapuram, Aluva, Ernakulam, 683 101, Kerala, India

(1) *Nominee of Avenue India Resurgence Pte. Ltd.*
(2) *Nominee of State Bank of India.*
^ *Pallav Mohapatra was also associated with our Company as a nominee director of State Bank of India with effect from November 23, 2016 to September 21, 2018.*
* *RBI, in its letter dated July 25, 2025 to our Company, has approved the re-appointment of Sudarshan Sen for a period not exceeding five years. The re-appointment of Sudarshan Sen is pending approval from the Shareholders.*

For brief profiles and further details of our Directors, see "*Our Management*" on page 212.

Company Secretary and Compliance Officer

Ameet Ashok Kela is the Company Secretary and Compliance Officer of our Company. His contact details are set forth below:

Ameet Ashok Kela
The Ruby, 10th Floor
29 Senapati Bapat Marg, Dadar (West)
Mumbai – 400 028
Maharashtra, India
Tel: +91 22-66581300
E-mail: cs@arcil.co.in

Statutory Auditors of our Company

M S K A & Associates, Chartered Accountants
602, Floor 6 Raheja,
Western Express Railway Colony,
Ram Nagar, Goregaon (East),
Mumbai – 400 063
Maharashtra, India
E-mail: info@mska.co.in
Tel: +91 22 6974 0200
ICAI Firm Registration Number: 105047W
Peer Review Certificate Number: 016966

Changes in Statutory Auditors

Except as stated below, there has been no change in the statutory auditors of our Company during the three years immediately preceding the date of this Draft Red Herring Prospectus.

Particulars	Date of Change	Reasons for Change
M S K A & Associates, Chartered Accountants 602, 6th Floor, Raheja Titanium Western Express Highway Gitanjali Railway Colony, Ram Nagar Goregaon (East), Mumbai – 400 063 Maharashtra, India **E-mail:** SwapnilKale@mska.in **Tel:** 022-33321689 **Peer Review Number:** 016966 **Firm Registration Number:** 105047W	September 27, 2024	Appointed as statutory auditor of our Company
M/s K S Aiyar & Co, Chartered Accountants F-7, Laxmi Mills, Shakti Mills Lane	September 27, 2024	Completion of term

Particulars	Date of Change	Reasons for Change
Off Dr. E Moses Road, Mahalaxmi Mumbai – 400 011 Maharashtra, India **Email:** rjoshi@ksaiyar.com **Tel:** 022-66551770 **Peer Review Number:** 014250 **Firm Registration Number:** 100186W		

Investor Grievances

Bidders may contact our Company Secretary and Compliance Officer, the Book Running Lead Managers or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode.

All Offer related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than UPI Bidders) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the Book Running Lead Managers where the Anchor Investor Application Form was submitted by the Anchor Investor.

Book Running Lead Managers

IIFL Capital Services Limited (*formerly known as IIFL Securities Limited*)
24th Floor, One Lodha Place
Senapati Bapat Marg
Lower Parel (West)
Mumbai 400013
Maharashtra, India
Tel: +91 22 4646 4728
E-mail: arcil.ipo@iiflcap.com
Website: www.iiflcap.com
Investor Grievance e-mail: ig.ib@iiflcap.com
Contact person: Nishita Mody/ Pawan Kumar Jain
SEBI registration number: INM000010940

IDBI Capital Markets & Securities Limited
6th Floor, IDBI Tower,
WTC Complex, Cuffe Parade
Mumbai – 400 005
Maharashtra, India
Tel.: +91 22 4069 1953
E-mail: arcil.ipo@idbicapital.com
Website: www.idbicapital.com
Investor grievance e-mail: redressal@idbicapital.com
Contact person: Indrajit Bhagat / Sri Krishna Tapariya
SEBI registration number: INM000010866

JM Financial Limited

7th Floor, Cnergy
Appasaheb Marathe Marg, Prabhadevi
Mumbai 400 025
Maharashtra, India
Tel: +91 22 6630 3030
E-mail: arcil.ipo@jmfl.com
Website: www.jmfl.com
Investor grievance ID: grievance.ibd@jmfl.com
Contact person: Prachee Dhuri
SEBI registration number: INM000010361

Statement of Inter-se Allocation of Responsibilities between the BRLMs

The table below sets out the *inter-se* allocation of responsibilities for various activities among the BRLMs.

Sr. No.	Activity	Responsibility	Co-ordination
1.	Capital structuring, positioning strategy, due diligence of our Company including its operations/management, legal etc. Drafting and design of the Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with the SEBI ICDR Regulations and stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI and RoC filings and follow up and coordination till final approval from all regulatory authorities.	All BRLMs	IIFL
2.	Drafting and approval of statutory advertisements including audio & visual presentation and uploading of documents on Document Repository Platform	All BRLMs	IIFL
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report.	All BRLMs	IDBI
4.	Appointment of intermediaries –Registrar to the Offer, advertising agency, printers to the Offer including co-ordination for agreements to be entered into with such intermediaries.	All BRLMs	IIFL
5.	Appointment of intermediaries – Bankers to the Offer, Sponsor Banks, and other intermediaries including co-ordination for agreements to be entered into with such intermediaries.	All BRLMs	IDBI
6.	Preparation of road show marketing presentation and frequently asked questions	All BRLMs	JM Financial
7.	International institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy; • Finalizing the list and division of international investors for one-to-one meetings; and • Finalizing international road show and investor meeting schedule	All BRLMs	JM Financial
8.	Domestic institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy; • Finalizing the list and division of domestic investors for one-to-one meetings; and • Finalizing domestic road show and investor meeting Schedule	All BRLMs	IIFL
9.	• Retail - non-institutional marketing of the Offer, which will cover, inter alia: • Finalising media, marketing, public relations strategy and publicity • Budget including list of frequently asked questions at retail road shows • Finalising collection centres • Finalising centres for holding conferences for brokers etc. • Follow - up on distribution of publicity; and • Issue material including form, Red Herring Prospectus/ Prospectus and deciding on the quantum of the Issue material	All BRLMs	IDBI
10.	Managing the book and finalization of pricing in consultation with the Company	All BRLMs	IIFL
11.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading, anchor coordination, anchor CAN and intimation of anchor allocation.	All BRLMs	JM Financial

Sr. No.	Activity	Responsibility	Co-ordination
12.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with registrar, SCSBs and Bank to the Issue, intimation of allocation and dispatch of refund to bidders, etc. Post-Issue activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising our Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrar to the Issue, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Co-ordination with SEBI and Stock Exchanges for submission of all post Offer reports including the post Offer report to SEBI.	All BRLMs	IDBI

Syndicate Members

[●]

Legal Counsel to our Company

Trilegal
One World Centre
10th Floor, Tower 2A & 2B
Senapati Bapat Marg
Lower Parel (West)
Mumbai – 400 013

Registrar to the Offer

MUFG Intime India Private Limited (*Formerly Link Intime India Private Limited*)
C-101, 247 Park,
LBS Marg, Vikhroli (West) 400083
Tel: +91 810 811 4949
E-mail: arcil@in.mpms.mufg.com
Website: www.in.mpms.mufg.com
Investor grievance e-mail: arcil@in.mpms.mufg.com
Contact person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058
CIN: U67190MH1999PTC118368

Banker(s) to the Offer

[●]

Escrow Collection Bank(s)

[●]

Refund Bank(s)

[●]

Public Offer Account Bank(s)

[●]

Sponsor Bank(s)

[●]

Bankers to our Company

HDFC Bank Limited
Unit No. 401 & 402, 4th Floor,
Tower B, Peninsula Business Park,

Lower Parel, Mumbai – 400 013
Tel: +91 9322834580
E-mail: neev.shah@hdfcbank.com
Website: www.hdfcbank.com
Contact person: Neev Shah

IDBI Bank Limited
LCG, Wing A, Second Floor, Mittal Court,
Nariman Point, Mumbai – 400 021
Tel: 022-66588117; 9835985276
E-mail: sumitkumar.gupta@idbi.co.in
Website: idbibank.in
Contact person: Sumit Kumar Gupta

The Karur Vyasa Bank
Corporate Business unit,
1st Floor Gayathri Towers,
954 Appasaheb Marathe Marg,
Prabhadevi, Mumbai – 400 025
Tel: 8555816168
E-mail: cbumumbai@kvbmail.com
Contact person: P. Sathvik Mahendra

The South Indian Bank Limited
Registered Office: Thrissur Kerala,
Head Office: SIB House, TB Road,
PB No 28. Thrissur – 680 001
Branch Address: The South Indian Bank Ltd,
Fort Branch – Mumbai,
EMCA House (Ground Floor),
289, SB Singh Road, Fort,
Mumbai, Maharashtra – 400 038
Tel: 022-67868888
E-mail: arjunraj@sib.co.in; cbg.mumbai@sib.co.in
Website: www.southindianbank.com
Contact person: Arjun Raj K

Union Bank of India
Union Bank of India Building, Ground Floor,
Opp. Sugun Multispecialty Hospital, Military Road,
Marol, Andheri (E),
Mumbai – 400 059
Tel: +91 9836807733
E-mail: ubin0590070@unionbankofindia.bank
Website: www.unionbankofindia.co.in
Contact person: Poonam Sahai

Designated Intermediaries

Self-Certified Syndicate Banks

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

SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI ICDR Master Circular and SEBI RTA Master Circular, UPI Bidders may apply through the SCSBs and mobile applications whose name appears on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

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

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stockbroker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/ and https://www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

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

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and on the website of NSE at www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Credit Rating

As the Offer is an Offer for Sale of Equity Shares by the Selling Shareholders, the appointment of a credit rating agency is not required.

IPO Grading

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

Debenture Trustees

As the Offer is an Offer for Sale of Equity Shares by the Selling Shareholders, the appointment of debenture trustees is not required.

Monitoring Agency

As the Offer is an Offer for Sale of Equity Shares by the Selling Shareholders, our Company is not required to appoint a monitoring agency in relation to the Offer.

Appraising Agency

As the Offer is an Offer for Sale of Equity Shares by the Selling Shareholders, our Company will not receive any proceeds from the Offer. Accordingly, no appraising entity has been appointed for the Offer.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Experts to the Offer

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

1. Our Company has received written consent dated August 1, 2025 from M S K A & Associates, Chartered Accountants, 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 Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated August 1, 2025 on the Restated Consolidated Financial Information; (ii) examination report, dated August 1, 2025 on the Restated Standalone Financial Information; (iii) their report dated August 1, 2025 on the statement of possible special tax benefits, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

2. Our Company has received written consent dated August 1, 2025 from J. Kala & Associates, Chartered Accountants, (FRN: 118769W) holding a valid peer review certificate from ICAI, to include their name as required under section 26 of the Companies Act, 2013 read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an 'expert' as defined under Section 2(38) and Section 26 of Companies Act, 2013 in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

3. Our Company has received written consent dated August 1, 2025 from M/s K S Aiyar & Co., Chartered Accountants, (FRN: 100186W), to include their name as required under Section 26 of the Companies Act, 2013 read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in their capacity as the previous statutory auditor and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

4. Our Company has received written consent dated August 1, 2025 from Khanna & Co., practicing company secretary, to be named as an "expert" under Section 26(1) and 2(38) and other applicable provisions of the Companies Act, 2013 in their capacity as practicing company secretary and in respect of their certificates dated August 1, 2025 and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Book Building Process

Book building process, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band, the minimum Bid Lot size, will be decided by our Company, in consultation with the BRLMs and shall be advertised in all editions of the [●], an English language national daily with wide circulation, all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi language national daily with wide circulation (Marathi being the regional language of Maharashtra where our Registered and Corporate Office is located), and advertised at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges to upload on their respective websites. The Offer Price shall be determined by our Company, in consultation with the BRLMs, after the Bid/Offer Closing Date. For details, see "*Offer Procedure*" on page 459.

All Bidders, other than Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, in case of UPI Bidders, by alternatively using the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders (subject to the Bid Amount being up to ₹0.20 million) can revise their Bids during the Bid/Offer Period and can withdraw their Bids on or before the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw Bids after the Anchor Investor Bid/ Offer Period. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis and allocation to Anchor Investors in the Anchor Investor Portion will be on a discretionary basis. Additionally, allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non -Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

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

For further details on the method and procedure for Bidding and book building procedure, see '*Terms of the Offer*', '*Offer Structure*' and '*Offer Procedure*' on pages 450, 456 and 459, respectively.

The Book Building Process is in accordance with guidelines, rules, regulations prescribed by SEBI, which are subject to change from time to time. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Bidders should note that the Offer is also subject to obtaining (i) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment within three Working Days of the Bid/ Offer Closing Date or such other period as prescribed under applicable law; and (ii) the final approval of the RoC after the Prospectus is filed with the RoC.

Illustration of Book Building and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "*Offer Procedure*" on page 459.

Underwriting Agreement

The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC. Our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters, who shall be merchant bankers or stockbrokers registered with SEBI, for the Equity Shares proposed to be offered through the Offer, in accordance with Regulation 40(3) of the SEBI ICDR Regulations. The Underwriting Agreement is dated [●]. The extent of underwriting obligations and the Bids to be underwritten by each Underwriter shall be as per the Underwriting Agreement. It is proposed that pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to conditions specified therein.

The Underwriters have indicated their intention to underwrite such number of Equity Shares as disclosed below:

(This portion has been intentionally left blank and will be filled in before the Prospectus is filed with the RoC)

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares of face value of ₹ 10 each to be underwritten	Amount underwritten (in ₹ million)
[●]	[●]	[●]

The abovementioned underwriting commitments are indicative and will be finalised after determination of the Offer Price and Basis of Allotment and the allocation of Equity Shares, subject to and in accordance with the provisions of the SEBI ICDR Regulations prior to filing the Prospectus with the RoC.

In the opinion of the Board of Directors (based on representations made to our Company by the Underwriters), the resources of each of the abovementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The abovementioned Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). The Board of Directors at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments set forth in the table above.

CAPITAL STRUCTURE

Our Company's share capital, as of the date of this Draft Red Herring Prospectus, is disclosed below.

(In ₹ except share data or indicated otherwise)

S. No.	Particulars	Aggregate value at face value (₹)	Aggregate value at Offer Price* (₹)
A	**AUTHORISED SHARE CAPITAL**[(1)]		
	500,000,000 Equity Shares of face value ₹10 each	5,000,000,000	-
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER**		
	324,897,140 Equity Shares of face value of ₹10 each	3,248,971,400	[●]
C	**PRESENT OFFER**		
	Offer for Sale of up to 105,463,892 Equity Shares of face value ₹10 each aggregating up to ₹ [●] million[(2)(3)]	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER***		
	[●] Equity Shares of face value of ₹ 10 each	[●]	[●]
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer (*in ₹ million)*	9,094.25	
	After the Offer (*in ₹ million)*	[●]	

* *To be included upon finalization of the Offer Price.*

(1) *For details in relation to the changes in the authorised share capital of our Company in the last 10 years, see "History and Certain Corporate Matters—Amendments to the Memorandum of Association" on page 204.*

(2) *Our Board has authorised the Offer, pursuant to their resolution dated July 30, 2025, and has taken on record the participation of the Selling Shareholders in the Offer for Sale pursuant to their resolution dated July 30, 2025.*

(3) *Each Selling Shareholder, severally and not jointly, confirms that their respective portion of the Offered Shares have been held by them, for a period of at least one year prior to filing of this Draft Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations. For details on the authorization of the Selling Shareholders in relation to the Offered Shares, see "The Offer" and "Other Regulatory and Statutory Disclosures" on pages 71 and 433, respectively.*

Notes to Capital Structure

1. **Share capital history of our Company**

Our Company is in compliance with the Companies Act, 1956, and the Companies Act, with respect to issuance of Equity Shares from the date of incorporation of our Company till the date of filing of this Draft Red Herring Prospectus.

(a) History of Equity Share capital of our Company:

The following table sets forth the history of the equity share capital of our Company

Date of allotment	Number of Equity Shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Reason for/ nature of allotment	Nature of consideration	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Name of allottees with number of Equity Shares allotted	
February 27, 2002*	700	10	10	Initial subscription to the MOA	Cash	700	7,000	***Names of allottees***	***No. of Equity Shares of face value ₹10 each allotted***
								Jyotin Mehta^	100
								R. Vedasagar	100
								Krishnan Ranganathan	100
								Vijaya Rao	100
								Nilesh Trivedi	100
								Pramod Rao	100
								Rajesh S. Chawathe	100
May 2, 2003@	9,999,300	10	10	Further issue	Cash	10,000,000	100,000,000	***Names of allottees***	***No. of Equity Shares of face value ₹10 each allotted***
								Jyotin Mehta^	49,300
								ICICI Bank Limited	2,400,000
								State Bank of India	2,450,000
								Industrial Development Bank of India	2,450,000
								Housing Development Finance Corporation Limited	530,000
								HDFC Bank Limited	530,000
								IDBI Bank Limited	530,000
								The Federal Bank Limited	530,000
								The South Indian Bank Limited	530,000
October 15, 2004	90,000,000	10	10	Preferential allotment	Cash	100,000,000	1,000,000,000	***Names of allottees***	***No. of Equity Shares of face value ₹10 each allotted***
								ICICI Bank Limited	27,130,000
								State Bank of India	17,500,000
								Industrial Development Bank of India	17,500,000
								Punjab National Bank	10,000,000

Date of allotment	Number of Equity Shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Reason for/ nature of allotment	Nature of consideration	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Name of allottees with number of Equity Shares allotted	
								Karnataka Bank Limited	5,500,000
								The Karur Vyasa Bank Limited	6,380,000
								Citicorp Finance (I) Limited	4,400,000
								The Federal Bank Limited	795,000
								The South Indian Bank Limited	795,000
November 22, 2006#	120,000,000	10	30	Rights issue in the ratio of 12 Equity Shares for every 10 Equity Shares held	Cash	220,000,000	2,200,000,000	***Names of allottees***	***No. of Equity Shares of face value ₹10 each allotted***
								ICICI Bank Limited	35,496,000
								State Bank of India	23,940,000
								Industrial Development Bank of India Limited	23,940,000
								Punjab National Bank	12,000,000
								Housing Development Finance Corporation Limited	636,000
								HDFC Bank Limited	636,000
								The Federal Bank Limited	1,590,000
								South Indian Bank Limited	1,590,000
								Infrastructure Development Finance Company Limited	19,153,340
								ITCOT Consultancy and Services Limited (Trustee of Arcil Employees Stock Ownership Trust)	1,018,660
June 2, 2008#	47,173,252	10	70	Rights issue in the ratio of 42 Equity Shares for every 100 Equity Shares held	Cash	267,173,252	2,671,732,520	***Names of allottees***	***No. of Equity Shares of face value ₹10 each allotted***
								State Bank of India	9,411,064
								Industrial Development Bank of India Limited	9,411,064
								Punjab National Bank	4,717,325
								Infrastructure Development Finance Company Limited	7,546,660
								First Rand Bank Limited	2,358,662
								The Karnataka Bank Limited	2,532,600
								The South India Bank Limited	1,224,300
								The Federal Bank Limited	1,224,300
								HDFC Bank Limited	489,720
								Housing Development Finance Corporation Limited	489,720
								ICICI Home Finance Company Limited	7,340,000
								S. Khasnobis	123,554

Date of allotment	Number of Equity Shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Reason for/ nature of allotment	Nature of consideration	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Name of allottees with number of Equity Shares allotted	
								M. Sudhendranath joint held with Geeta Sudhendranath	60,000
								S.V. Venkatakrishnan	35,759
								Gurudas Saha	32,476
								S K Amarnath	7,150
								Mihir Nanavati jointly held with Kanan Nanavati	37,855
								Aalok Dave	6,700
								Chandan Churiwal	1,371
								Dhananjay Achrekar	2,544
								Dhaval Sampat	5,000
								Jigar Dalal	3,000
								Killol Thakore	5,057
								Manoj Gangwal	11,648
								Mehul Gandhi	11,816
								Nilesh Shah jointly held with Nisha Shah	17,320
								Pankaj Jain	7,034
								Piyush Gundecha	4,131
								Prabha Bangia	12,415
								Rosa Masacarenhas	3,739
								Sanjay Sawant	12,500
								Shruti Kumar	15,731
								T Shering C Samdup	6,845
								Vanita Sawant	4,192
December 5, 2008[#]	25,559,070	10	70	Rights issue in the ratio of 42 Equity Shares for every 100 Equity Shares held	Cash	292,732,322	2,927,323,220	***Names of allottees***	***No. of Equity Shares of face value ₹10 each allotted***
								State Bank of India	11,515,916
								IDBI Bank Limited (formerly Industrial Development Bank of India Limited)	9,022,736
								Punjab National Bank	4,522,675
								Infrastructure Development Finance Company Limited	497,743
December 5, 2008	32,164,818	10	84	Preferential allotment	Cash	324,897,140	3,248,971,400	***Names of allottees***	***No. of Equity Shares of face value ₹10 each allotted***
								Lathe Investment Pte. Ltd.	32,164,818

* *The Company was incorporated through certificate of incorporation dated February 11, 2002. The date of subscription to the MoA of the Company was February 7, 2002, and the Board of Directors took note of the subscribers to the MoA by way of board resolution dated February 27, 2002.*

^ *Jyotin Mehta had subscribed to 49,400 equity shares on February 7, 2002 out of which 100 shares were allotted on February 27, 2002 and 49,300 equity shares were allotted to him on May 2, 2003.*

@ *We are unable to locate the special resolution and the Form 23 filed in relation to the further issue dated May 2, 2003. Accordingly, we have relied on the corporate records of our Company, the certificate dated August 1, 2025 by Khanna & Co., practicing company secretary. For details, see "Risk Factor – We are unable to trace certain of our historical records. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to the untraceable filings and corporate records, which may impact our financial condition and reputation" on page 57.*

The letter of renunciations and acceptance in relation to these allotments are not available. Accordingly, we have relied on the corporate records of our Company, the certificate dated August 1, 2025 by Khanna & Co. , practicing company secretary. For details, see "Risk Factor – We are unable to trace certain of our historical records. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to the untraceable filings and corporate records, which may impact our financial condition and reputation" on page 57.

(b) History of Preference Share Capital

Our Company does not have any preference share capital as on the date of this Draft Red Herring Prospectus.

2. Issue of shares issued for consideration other than cash or by way of bonus issue

Our Company has not issued any shares for consideration other than cash or by way of bonus issue, since its incorporation, as of the date of this Draft Red Herring Prospectus.

3. **Issue of Equity Shares at a price lower than the Offer Price in the last one year**

Our Company has not issued any Equity Shares at a price which may be lower than the Offer Price during the period of one year preceding the date of this Draft Red Herring Prospectus.

4. **Issue of shares out of revaluation reserves**

Our Company has not issued any shares out of revaluation reserves since its incorporation.

5. **Issue of shares pursuant to any scheme of arrangement**

Our Company has not issued or allotted any shares in terms of a scheme of arrangement approved under Sections 391-394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013.

6. **Details of build-up, Contribution and Lock-in of Promoters' Shareholding and Lock-in of other Equity Shares**

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 291,383,245 Equity Shares of face value of ₹10 each, constituting approximately 89.68% of the issued, subscribed and paid-up Equity share capital of our Company.

(a) Build-up of Promoters' equity shareholding in our Company

The build-up of the equity shareholding of our Promoters since incorporation of our Company is set forth below:

Date of allotment/ transfer	Number of fully paid- up Equity Shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre- Offer equity share capital (%)	Percentage of post- Offer equity share capital (%)
Avenue India Resurgence Pte. Ltd.							
March 14, 2019*	6,380,000	10	48.00	Cash	Transfer from Karur Vyasa Bank Limited	1.96	[●]
March 14, 2019*	4,866,757	10	48.00	Cash	Transfer from Barclays Bank, PLC	1.50	[●]
March 14, 2019	4,400,000	10	48.00	Cash	Transfer from Quiveo Enterprises Limited, Cyprus	1.35	[●]
March 15, 2019*	1,655,720	10	48.00	Cash	Transfer from HDFC Bank Limited	0.51	[●]
March 20, 2019*	27,197,743	10	48.00	Cash	Transfer from IDFC Bank Limited	8.37	[●]
March 26, 2019*	7,541,137	10	48.00	Cash	Transfer from Housing Development Finance Corporation Limited	2.32	[●]
April 3, 2019	15,919,960	10	60.00	Cash	Transfer from Lathe Investment Pte. Ltd.	4.90	[●]
May 3, 2019	13,358,662	10	48.00	Cash	Transfer from First Rand Bank Limited, South Africa	4.11	[●]
May 18, 2022*	62,323,800	10	58.00	Cash	Transfer from IDBI Bank Limited	19.18	[●]
May 19, 2022*	43,076,000	10	58.00	Cash	Transfer from ICICI Bank Limited	13.26	[●]
May 19, 2022*	7,340,000	10	58.00	Cash	Transfer from ICICI Home Finance Company Limited	2.26	[●]
March 29, 2023*	32,506,486	10	60.53	Cash	Transfer from Punjab National Bank	10.00	[●]

Date of allotment/ transfer	Number of fully paid- up Equity Shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre- Offer equity share capital (%)	Percentage of post- Offer equity share capital (%)
Total	**226,566,265**					**69.73**	**[●]**
State Bank of India							
May 2, 2003	2,450,000	10	10.00	Cash	Further issue	0.75	[●]
October 15, 2004	17,500,000	10	10.00	Cash	Preferential allotment	5.39	[●]
November 22, 2006	23,940,000	10	30.00	Cash	Rights issue in the ratio of 12 equity shares for every 10 equity shares held	7.37	[●]
June 2, 2008	9,411,064	10	70.00	Cash	Rights issue in the ratio of 42 equity shares for every 100 equity shares held	2.90	[●]
December 5, 2008	11,515,916	10	70.00	Cash	Rights issue in the ratio of 42 equity shares for every 100 equity shares held	3.54	[●]
Total	**64,816,980**					**19.95**	**[●]**

* *We are unable to locate the Form FC-TRS for these transfers. Accordingly, we have relied on the RBI acknowledgement received post filing the FC-TRS, board noting and bank statements. For details, see "Risk Factor – We are unable to trace certain of our historical records. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to the untraceable filings and corporate records, which may impact our financial condition and reputation" on page 57.*

(b) Details of Promoters' Contribution and lock-in

Pursuant to Regulations 14 and 16 (1)(a) of the SEBI ICDR Regulations, an aggregate of at least 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be considered as the minimum Promoters' Contribution and is required to be locked-in for a period of eighteen months from the date of Allotment ("**Promoters' Contribution**"). Our Promoters' shareholding in excess of 20% shall be locked in for a period of six months from the date of Allotment.

The details of the Equity Shares held by our Promoters, which shall be locked-in for minimum Promoters' Contribution for a period of eighteen months, from the date of Allotment as Promoters' Contribution are as set out below:*

Name of the Promoter	Number of Equity Shares locked-in	Date up to which Equity Shares are subject to lock-in	Date of Acquisition of Equity Shares and when made fully paid-up	Nature of transaction	Face value (₹)	Issue/Acquisition price per Equity Share (₹)	Pre-Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

* *To be completed prior to filing of the Prospectus with the RoC.*

Our Promoters have given consent to include such number of Equity Shares held by them as disclosed above, constituting 20% of the fully diluted post-Offer Equity Share capital of our Company as minimum Promoter's Contribution and have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the minimum Promoters' Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

Our Company undertakes that the Equity Shares that are being locked-in will not be ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. For details of the build-up of the share capital held by our Promoters, see "*Capital Structure — Details of build-up, Contribution and Lock-in of Promoters' Shareholding and Lock-in of other Equity Shares – Build-up of Promoters' equity shareholding in our Company*" on page 96.

In this connection, we confirm the following:

(i) The Equity Shares offered towards minimum Promoters' Contribution have not been acquired during the three immediately preceding years (a) for consideration other than cash and revaluation of assets or capitalization of intangible assets, or (b) arising from bonus issue by utilization of revaluation reserves or unrealised profits of our Company or from a bonus issue against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution;

(ii) The Equity Shares offered towards minimum Promoters' Contribution have not been acquired by our Promoters during the year immediately preceding the date of this Draft Red Herring Prospectus at a price lower than the Offer Price;

(iii) Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm into a company in the preceding one year and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm;

(iv) The Equity Shares forming part of the Promoters' Contribution are not subject to any pledge; and

(v) All Equity Shares held by our Promoters are in dematerialised form as on the date of this Draft Red Herring Prospectus.

(c) Details of Equity Shares locked-in for six months

In terms of Regulation 17 of the SEBI ICDR Regulations, in addition to the Equity Shares proposed to be locked-in as part of the minimum Promoters' Contribution as stated above, as prescribed under the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital of our Company (including any unsubscribed portion of the Offered Shares) will be locked-in for a period of six months from the date of Allotment or any other period as may be prescribed under applicable law, except for the (i) Equity Shares which may be Allotted to the employees under the employee stock option scheme pursuant to exercise of options held by such eligible employees, whether current employees or not, in accordance with the employee stock option scheme or a stock appreciation right scheme; (ii) Equity Shares Allotted pursuant to the Offer and (iii) the Equity Shares held by VCFs or Category I AIF or Category II AIF or FVCI, subject to certain conditions set out in Regulation 17 of the SEBI ICDR Regulations, provided that such Equity Shares will be locked-in for a period of at least six months from the date of purchase by the VCFs or Category I AIF or Category II AIF or FVCI.

(d) Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors

50% of the Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked- in for a period of 90 days from the date of Allotment, and the remaining 50% of the Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

(e) Other requirements in respect of lock-in

Pursuant to Regulation 20 of the SEBI ICDR Regulations, details of locked-in Equity Shares will be recorded by relevant depositories.

Pursuant to Regulation 21 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters may be pledged only with scheduled commercial banks or public financial institutions or a Systemically Important NBFC or a housing finance company as collateral security for loans granted by such scheduled commercial bank or public financial institution or Systemically Important NBFC or housing company, provided that specified conditions under the SEBI ICDR Regulations are complied with. However, the relevant lock-in period shall continue pursuant to the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

Pursuant to Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters, which are locked-in in accordance with Regulation 16 of the SEBI ICDR Regulations, may be transferred to any member of the Promoter Group, or to a new promoter of our Company and the Equity Shares held by any persons other than our Promoters, which are locked-in in accordance with Regulation 17 of the SEBI ICDR Regulations, may be transferred to and among such other persons holding specified securities that are locked in, subject to continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the SEBI Takeover Regulations, as applicable.

7. **Details of build-up of the Shareholding of the Investor Selling Shareholder, Other Selling Shareholder and Promoter Group**

As on the date of this Draft Red Herring Prospectus, our Promoter Group does not hold any Equity Shares of our Company. The build-up of the equity shareholding of Investor Selling Shareholder and Other Selling Shareholder, since incorporation of our Company is set forth below:

Date of allotment/ transfer	Nature of allotment	Number of Equity Shares allotted/ transferred	Nature of consideration	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Lathe Investment Pte. Ltd.							
December 5, 2008	Preferential allotment	32,164,818	Cash	10	84.00	9.90	[●]
April 3, 2019	Transfer to Avenue India Resurgence Pte. Ltd.	(15,919,960)	Cash	10	60.00	4.90	[●]
Total		**16,244,858**				**5.00**	**[●]**
The Federal Bank Limited							
May 2, 2003	Further issue	530,000	Cash	10	10.00	0.16	[●]
October 15, 2004	Preferential allotment	795,000	Cash	10	10.00	0.24	[●]
November 22, 2006	Rights issue	1,590,000	Cash	10	30.00	0.49	[●]
June 2, 2008	Rights issue	1,224,300	Cash	10	70.00	0.38	[●]
Total		**4,139,300**				**1.27**	**[●]**

[***The remainder of this page has been left blank intentionally***]

8. **Shareholding pattern of our Company**

The table below presents the shareholding pattern of our Company, as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII)=(IV)+(V) + (VI)	Shareholding as a % of total number of shares (calculate as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding Convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialised form (XIV)
								Number of Voting Rights: Class e.g.: Equity Shares	Number of Voting Rights: Class e.g.: Others	Number of Voting Rights: Total	Total as a % of (A+B + C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
(A)	Promoters and Promoter Group	2	291,383,245	-	-	291,383,245	89.68	291,383,245	-	291,383,245	89.68	-	89.68	-	-	-	-	291,383,245
(B)	Public	28	33,513,895	-	-	33,513,895	10.32	33,513,895	-	33,513,895	10.32	-	10.32	-	-	-	-	33,476,419
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	30	324,897,140	-	-	324,897,140	100.00	324,897,140	-	324,897,140	100.00	-	100.00	-	-	-	-	324,859,664

9. **Details of shareholding of the major Shareholders of our Company:**

(a) Set forth below are details of Shareholders holding 1% or more of the paid-up equity share capital of our Company as on the date of this Draft Red Herring Prospectus:

S. No.	Name of Shareholder	Number of Equity Shares (of face value ₹10) held	Percentage of the pre-Offer Equity Share capital (%)
1.	Avenue India Resurgence Pte. Ltd.	226,566,265	69.73
2.	State Bank of India	64,816,980	19.95
3.	Lathe Investment Pte. Ltd.	16,244,858	5.00
4.	Karnataka Bank Limited	8,562,600	2.64
5.	The South Indian Bank Limited	4,139,300	1.27
6.	The Federal Bank Limited	4,139,300	1.27

(b) Set forth below are details of Shareholders holding 1% or more of the paid-up equity share capital of our Company as of 10 days prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of Shareholder	Number of Equity Shares (of face value ₹10) held	Percentage of the pre-Offer Equity Share capital (%)
1.	Avenue India Resurgence Pte. Ltd.	226,566,265	69.73
2.	State Bank of India	64,816,980	19.95
3.	Lathe Investment Pte. Ltd.	16,244,858	5.00
4.	Karnataka Bank Limited	8,562,600	2.64
5.	The South Indian Bank Limited	4,139,300	1.27
6.	The Federal Bank Limited	4,139,300	1.27

(c) Set forth below are details of Shareholders holding 1% or more of the paid-up equity share capital of our Company as of one year prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of Shareholder	Number of Equity Shares (of face value ₹10) held	Percentage of the pre-Offer Equity Share capital (%)
1.	Avenue India Resurgence Pte. Ltd.	226,566,265	69.73
2.	State Bank of India	64,816,980	19.95
3.	Lathe Investment Pte. Ltd.	16,244,858	5.00
4.	Karnataka Bank Limited	8,562,600	2.64
5.	The South Indian Bank Limited	4,139,300	1.27
6.	The Federal Bank Limited	4,139,300	1.27

(d) Set forth below are details of Shareholders holding 1% or more of the paid-up equity share capital of our Company as of two years, prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of Shareholder	Number of Equity Shares (of face value of ₹10 each) held	Percentage of the pre-Offer Equity Share capital (%)
1.	Avenue India Resurgence Pte. Ltd.	226,566,265	69.73
2.	State Bank of India	64,816,980	19.95
3.	Lathe Investment Pte. Ltd.	16,244,858	5.00
4.	Karnataka Bank Limited	8,562,600	2.64
5.	The South Indian Bank Limited	4,139,300	1.27
6.	The Federal Bank Limited	4,139,300	1.27

10. **Details of the Shareholding of our Promoters, Directors, our Key Managerial Personnel, our Senior Management, directors of our Promoters and members of our Promoter Group**

Except as disclosed below, as on the date of this Draft Red Herring Prospects, none of our Promoters, Directors, Key Managerial Personnel, Senior Management, directors of our Promoters, and the members of our Promoter Group hold any Equity Shares in our Company:

Name of the Shareholder	Number of Equity Shares held (of face value of ₹10 each)	Percentage of the pre-Offer paid-up Equity Share capital (%)	Percentage of the post-Offer paid-up Equity Share capital (%)^
Promoters			
Avenue India Resurgence Pte. Ltd.	226,566,265	69.73	[●]
State Bank of India	64,816,980	19.95	[●]

^ *Subject to basis of allotment*

11. Neither the BRLMs or their respective associates, as defined in the SEBI Merchant Bankers Regulations, hold any Equity Shares in our Company as of the date of this Draft Red Herring Prospectus. The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company and its respective directors and officers, partners, trustees, affiliates, associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and each of its respective directors and officers, partners, trustees, affiliates, associates or third parties, for which they have received, and may in the future receive, compensation.

12. Our Company, our Promoters, our Directors and the BRLMs have not entered into any buy-back arrangements and/or any other similar arrangements for purchase of Equity Shares.

13. Our Company has not made any public issue since its incorporation and has not made any rights issue of any kind or class of securities since its incorporation, other than as disclosed in "– *Share capital history of our Company*" on page 92.

14. Our Company does not have any partly paid-up Equity Shares as of the date of this Draft Red Herring Prospectus and all Equity Shares Allotted in the Offer will be fully paid-up at the time of Allotment.

15. Except for issuances of Equity Shares pursuant to the ESOP 2025 there will be no further issue of Equity Shares whether by way of issue of bonus shares, rights issue, preferential issue or any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus until the listing of the Equity Shares on the Stock Exchanges pursuant to the Offer or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc., as the case may be in the event there is a failure of the Offer.

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

17. Neither our Promoters, the members of our Promoter Group nor our Directors, or any of their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

18. Except for the Offer, allotments of Equity Shares pursuant to the ESOP 2025, our Company presently does not intend or propose and is not under negotiations or considerations to alter its capital structure for a period of six months from the Bid/ Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise. Provided however, that the foregoing restrictions do not apply to grant of options pursuant to the employee schemes, if any.

19. As of the date of this Draft Red Herring Prospectus, the total number of holders of the Equity Shares is 30. Further, our Company is in compliance with Companies Act, 1956 and Companies Act, 2013 and has not had more than 49/ 200 shareholders, as applicable, in any financial year since incorporation.

20. Our Company shall ensure that any transactions in the Equity Shares by our Promoters and members of our Promoter Group during the period between the date of this Draft Red Herring Prospectus and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of the transactions.

21. Our Company shall ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

22. Neither the Book Running Lead Managers nor any associate of the Book Running Lead Managers (except Mutual Funds sponsored by entities which are associates of the Book Running Lead Managers or insurance companies promoted by entities which are associate of Book Running Lead Managers or AIFs sponsored by the entities which are associate of the Book Running Lead Managers or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the Book Running Lead Manager) shall apply in the Offer under the Anchor Investor Portion.

23. As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters and members of our Promoter Group are pledged or otherwise encumbered.

24. No person connected with the Offer, including, but not limited to, the members of the Syndicate, our Company, our Directors, our Promoters, members of our Promoter Group, shall offer or make payment of any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

25. We confirm that the BRLMs and their associates (determined as per the definition of 'associate company' under the Companies Act, 2013 and as per definition of the term 'associate' under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of the Company. The BRLMs and their affiliates may engage in the transactions with and perform services for the Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

26. Our Promoters and Promoter Group shall not participate in the Offer except by way of participation in the Offer for Sale.

27. **Employee Stock Option Plan**

Pursuant to the resolutions passed by our Board on June 4, 2025, and our Shareholders on June 27, 2025, our Company has approved the ARCIL Employee Stock Option Scheme 2025 ("**ESOP 2025**") for issue of options to the eligible employees which may result in issue of Equity Shares not exceeding 4,873,457 Equity Shares. The ESOP 2025 has been framed in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The objective of ESOP 2025 is to reward the employees for association, and performance as well as to motivate them to contribute to the growth and profitability of our Company. Our Company intends to use this ESOP 2025 to attract and retain key talents in the Company by way of rewarding their high performance and motivate them to contribute to the overall corporate growth and profitability. Our Company views ESOP 2025 as instrument that would enable sharing the value with the Employees, they create for our Company in the years to come.

Grant of options and exercise price: Grant of options shall be evidenced by letter which shall be deemed to incorporate the specific details of the Grant.

As on the date of this Draft Red Herring Prospectus, all grants of options under the ESOP 2025 are in compliance with the Companies Act, 2013.

The exercise price, subject to applicable law, shall be up to 20% discount to the fair market value as on the date of the grant and shall not be less than the face value per equity share of the Company.

Vesting of options: Options granted under ESOP 2025 for eligible employees shall vest as per the vesting schedule provided in ESOP 2025. The vesting of options is subject to continued employment and fulfilment of performance parameters as may be determined by the committee of our Board. Options granted under the Scheme shall vest not before 1 (one) year and not after maximum Vesting Period of 4 (Four) years from the date of grant of such Options.

Exercise period: The exercise period would commence from the date of vesting of options and will be subject to a maximum period of four years from the date the options are vested or such shorter period as may be prescribed by the Board at the time of grant of options.

The following table sets forth the particulars of ESOP 2025, as certified J. Kala & Associates, Chartered Accountants (FRN: 118769W), by way of their certificate dated August 1, 2025, as on the date of this Draft Red Herring Prospectus:

Particulars	Details
Options granted	635,329
Number of employees to whom options were granted	13
Options outstanding	635,329
Exercise price of options	10% discount on fair value of Equity Shares on the respective vesting date
Options vested (excluding options that have been exercised)	Nil
Options exercised	Nil
Total number of Equity Shares of face value ₹10 each that would arise as a result of full exercise of options granted (net of forfeited/lapsed/ cancelled options)	635,329
Options forfeited/lapsed/cancelled	Nil
Variation in terms of options	Not applicable
Money realised by exercise of options	Nil

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Total no. of options in force</td><td>635,329</td></tr>
<tr><td>Employee wise details of options granted to</td><td></td></tr>
<tr><td>(i) Key Managerial Personnel and Senior Management</td><td>
<table>
<tr><th>Name of Key Managerial Personnel and Senior Management</th><th>Total no. of options granted</th></tr>
<tr><td>Pallav Mohapatra</td><td>156,620</td></tr>
<tr><td>Pramod Kumar Gupta</td><td>77,031</td></tr>
<tr><td>Ameet Ashok Kela</td><td>26,151</td></tr>
<tr><td>Phanindranath Kakarla</td><td>116,175</td></tr>
<tr><td>Rajat Agarwal</td><td>66,983</td></tr>
<tr><td>Anup Mittal</td><td>29,133</td></tr>
<tr><td>Sumit Manchanda</td><td>35,375</td></tr>
<tr><td>Aryaman Dhawan</td><td>32,232</td></tr>
<tr><td>Gurleen Kaur Chabra</td><td>33,402</td></tr>
</table>
</td></tr>
<tr><td>(ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year</td><td>Nil</td></tr>
<tr><td>(iii) Identified employees who are granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant</td><td>Nil</td></tr>
<tr><td>Fully diluted EPS on a pre-Offer basis on exercise of options calculated in accordance with the applicable accounting standard for ‘Earnings per Share’</td><td>Not applicable</td></tr>
<tr><td>Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if the Company had used fair value of options and impact of this difference on profits and EPS of the Company for the last three fiscals</td><td>Not applicable</td></tr>
<tr><td>Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option</td><td>At fair market value
<table>
<tr><th>Particulars</th><th>ESOP 2025</th></tr>
<tr><td>Weighted average price of Equity Shares on the date of grant of option (₹)</td><td>NA</td></tr>
<tr><td>Exercise Price (₹)</td><td>NA</td></tr>
<tr><td>Expected Volatility (% per annum)</td><td>NA</td></tr>
<tr><td>Expected life of options (years)</td><td>4</td></tr>
<tr><td>Expected dividend (% per annum)</td><td>NA</td></tr>
<tr><td>Risk free interest rate (%)</td><td>NA</td></tr>
</table>
</td></tr>
<tr><td>Impact on profits and EPS of the last three years if the Company had followed the accounting policies specified in Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 in respect of options granted in the last three years</td><td>Not applicable</td></tr>
<tr><td>Method of option valuation</td><td>Fair market value</td></tr>
<tr><td>Intention of the KMPs, Senior Management and whole time directors who are holders of Equity Shares allotted on exercise of options granted to sell their equity shares within three months after the date of listing of Equity Shares pursuant to the Offer</td><td>Not applicable</td></tr>
<tr><td>Intention to sell Equity Shares arising out of an employee stock option scheme within three months after the listing of Equity Shares, by Directors, Key Managerial Personnel, Senior Management and employees having Equity Shares arising out of an employee stock option scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions</td><td>Not applicable</td></tr>
</table>

Our Company has not made any allotments pursuant to the ESOP 2025 as on the date of this Draft Red Herring Prospectus.

OBJECTS OF THE OFFER

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the Stock Exchanges and for the Offer for Sale of up to 105,463,892 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million by the Selling Shareholders. For further details, see "*The Offer*" on page 71.

Our Company expects that the listing of Equity Shares will enhance our visibility and brand and provide liquidity to its existing Shareholders. Listing will also provide a public market for the Equity Shares in India. Our Company will not receive any proceeds from the Offer. All proceeds from the Offer will go to the Selling Shareholders, in proportion to the Equity Shares offered by them in the Offer for Sale. For details of Offered Shares, see "*The Offer*" beginning on page 71.

Offer expenses

The Offer expenses are estimated to be approximately ₹ [●] million. The expenses in relation to the Offer include, among others, listing fees, underwriting fees, selling commission, fees payable to the BRLMs, fees payable to legal counsel, fees payable to the Registrar to the Offer, Banker(s) to the Offer, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Other than (i) listing fees, audit fees (to the extent not attributable to the Offer), and expenses for any product or corporate advertisements consistent with past practice of the Company (other than the expenses relating to marketing and advertisements in connection with the Offer), which will be borne by the Company; and (ii) fees and expenses in relation to the legal counsel to the Selling Shareholders, any chartered accountant appointed by the Company (representing itself and the Selling Shareholders) in relation to the Offer, which shall be borne by the respective Selling Shareholder / Company, all costs, charges, fees and expenses associated with and incurred with respect to the Offer, (including all applicable taxes except securities transaction taxes which shall be solely borne by the respective Selling Shareholders) and directly attributable to the Offer, shall be borne by the Company in the first instance. Further, the expenses related to the Offer shall be deducted from the Offer proceeds and only the balance amount shall be paid to the Selling Shareholders in proportion to the Offered Shares sold by the respective Selling Shareholder. The Selling Shareholders, severally and not jointly, agrees that upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer, the Selling Shareholders shall, severally and not jointly, reimburse the Company for any expenses in relation to the Offer, along with applicable taxes, paid by the Company on behalf of the Selling Shareholder, in proportion of its Offered Shares, directly from the Public Offer Account.

In the event that the Offer is withdrawn or declared unsuccessful or the listing and trading approvals from the Stock Exchanges are not received, subject to Applicable Law, all costs and expenses (including all applicable taxes) with respect to the Offer shall be exclusively borne by the Company, unless specifically required otherwise by the relevant Governmental Authority and reimbursed by the Selling Shareholders to the extent required under Applicable Law towards the Offered Shares in the Offer for Sale in case of the Selling Shareholders. Further, if any of the Selling Shareholders fully withdraws from the Offer or abandons the Offer or this Agreement is terminated in respect of itself, in each case, at any stage prior to the completion of the Offer, then such Selling Shareholder will not be liable to reimburse the Company for any costs, charges, fees and expenses associated with and incurred in connection with the Offer.

The break-down for the estimated Offer expenses are as follows:

Activity	Estimated expenses(1) (₹ in million)	As a % of total estimated Offer related expenses(1)	As a % of Offer size(1)
BRLM's fees including underwriting commission, brokerage and selling commission, as applicable	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Offer. Brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs(2)(3)	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Fees payable to legal counsels, statutory auditors$, independent chartered accountants@, practicing company secretary@, industry service provider^ and others to the Offer	[●]	[●]	[●]
Others			
• Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
• Printing and stationery	[●]	[●]	[●]
• Advertising and marketing expenses	[●]	[●]	[●]

Activity	Estimated expenses[1] (₹ in million)	As a % of total estimated Offer related expenses[1]	As a % of Offer size[1]
• Fees payable to legal counsels	[●]	[●]	[●]
• Miscellaneous	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

$ *For audit of the Restated Financial Information and issuance of certifications in connection with and for the purpose of the Offer.*

@ *For issuance of certifications in connection with and for the purpose of the Offer.*

^ *For preparation of the CRISIL Report commissioned and paid for by our Company, exclusively for the purpose of the Offer.*

(1) *Offer expenses include applicable taxes, where applicable. Offer expenses will be finalised on determination of Offer Price and incorporated at the time of filing of the Prospectus. Offer expenses are estimates and are subject to change.*

(2) *Selling commission payable to the SCSBs on the portion for RIBs and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:*

*Portion for RIBs**	*[●] % of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*[●] % of the Amount Allotted (plus applicable taxes)*

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid book of BSE or NSE.

No processing fees shall be payable by our Company and the Selling Shareholders to the SCSBs on the applications directly procured by them.

Processing fees payable to the SCSBs of ₹[●] per valid application (plus applicable taxes) for processing the Bid cum Application Form for Non-Institutional Bidders which are procured by the members of the Syndicate/sub- Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB blocking.

(3) *Brokerage, selling commission and processing/uploading charges on the portion for RIBs (using the UPI mechanism), and Non- Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their sub-Syndicate Members) would be as follows:*

*Portion for RIBs**	*[●] % of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*[●] % of the Amount Allotted (plus applicable taxes)*

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

The Selling commission payable to the Syndicate / sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / sub-Syndicate Member.

Uploading Charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the applications made by RIBs using 3-in-1 accounts/Syndicate ASBA mechanism and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts/Syndicate ASBA mechanism, would be as follows: ₹ [●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

Selling commission/ uploading charges payable to the Registered Brokers on the portion for RIBs, and Non-Institutional Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

*Portion for RIBs**	*[●] per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*[●] per valid application (plus applicable taxes)*

Uploading charges/ Processing fees for applications made by RIBs using the UPI Mechanism would be as under:

Members of the Syndicate / RTAs / CDPs / Registered Brokers	*₹ [●] per valid application (plus applicable taxes)*
Sponsor Bank(s)	*₹ [●] for applications made by UPI Bidders using the UPI mechanism*. The Sponsor Bank(s) shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.*

* *Based on valid applications.*

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Bridge financing facilities

We have not availed bridge financing from any bank or financial institutions as on the date of this Draft Red Herring Prospectus.

Monitoring Agency

Since the Offer is an Offer for Sale and our Company will not receive any proceeds from the Offer, our Company is not required to appoint a monitoring agency for the Offer.

Other Confirmations

Except to the extent of any proceeds received pursuant to the sale of the Offered Shares proposed to be sold in the Offer by the Selling Shareholders, there is no arrangement whereby any portion of the Offer proceeds will be paid to our Promoters, Promoter Group, Directors, Key Managerial Personnel, Senior Management Personnel, directly or indirectly, and there are no material existing or anticipated transactions in relation to utilization of the Offer proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors, Key Managerial Personnel or Senior Management Personnel.

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and the quantitative and qualitative factors as described below and is justified in view of these parameters. The face value of the Equity Shares is ₹ 10 each and the Floor Price is [●] times the face value of the Equity Shares and the Cap Price is [●] times the face value of the Equity Shares.

Investors should also refer to "*Risk Factors*", "*Our Business*", "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 40, 165, 248 and 372, respectively, to have an informed view before making an investment decision.

Qualitative factors

Some of the qualitative factors which form the basis for computing the Offer Price are as follows:

1. *India's First ARC with the second Largest AUM*

   We were the first ARC to be incorporated in India (*Source: CRISIL Report*) having obtained our certificate of registration to commence our operations on August 29, 2003 from the RBI and completed our first acquisition of stressed assets in December 2003. Being the first ARC in India has helped us gain a better understanding of the evolving regulatory environment which enables us to comply with qualification criteria set forth by the RBI for the acquisition of stressed assets. When the RBI required all ARCs in October 2022 to maintain a minimum Net Owned Fund of ₹ 3,000.00 million by March 31, 2026, our Company was one of the few ARCs with Net Owned Funds in excess of such regulatory requirement in October 2022 itself. (*Source: CRISIL Report*)

2. *Expertise in Acquiring Stressed Assets with increasing investment in SRs*

   We have developed expertise in acquiring stressed assets and follow a disciplined acquisition process with a view to acquire lower risk portfolios. We have implemented a comprehensive credit assessment and risk management framework to evaluate potential acquisitions, determine the recovery potential of the assets and manage risks inherent in our operations. We have established strong relationships with banks and financial institutions which facilitates the acquisition of stressed assets. It also provides us access to QBs who invest in the trusts that we set up for the acquisition of stressed assets.

3. *Our Ability to Implement Resolution Strategies and a Robust Collections Framework*

   We utilize different resolution strategies targeted at maximizing the potential of recovery from the stressed assets we acquire. These primarily include pursuing resolution mechanisms pursuant to the IBC; reaching mutual settlements with borrowers for a negotiated amount after evaluating the probability of recovery; restructuring or rescheduling the debt payment of borrowers; selling underlying assets pursuant to the SARFAESI Act and through the DRT. We have established a robust collections framework and specialized collection teams for each of our three business verticals of Corporate loans, SME and Other loans and Retail loans. Our approach to our collections function is aimed at achieving optimal outcomes for ourselves and the borrowers.

4. *Track Record of Consistent Financial and Operational Performance*

   We have demonstrated a consistent track record of financial performance that is attributable to our focussed approach on profitable growth, strategic bidding, implementation of resolution strategies and ability to collect outstanding amounts. In accordance with RBI Guidelines, SRs that are held by us and not redeemed within a timeframe of eight years are required to be treated as loss assets and written-off in the books of investors. However, the resolution of such stressed assets continues until the entire recovery proceeds are received.

5. *Experienced Board of Directors, Management Team and Marquee Investors*

   We have an experienced Board of Directors comprising professionals from diverse industries who have been instrumental in providing support and strategic direction. We are led by a professional and experienced management team who have extensive domain expertise and understanding of our industry and vision to scale up our business. Our Promoters include marquee investors, Avenue India Resurgence Pte. Ltd (an affiliate of Avenue Capital Group), which holds 69.73% of our outstanding equity interest, as of the date of this Draft Red Herring Prospectus and the State Bank of India, which holds 19.95% of our outstanding equity interest, as of the same date.

For further details, see *"Our Business – Our Strengths"* beginning on page 169, respectively.

Quantitative factors

Some of the information presented below relating to our Company is derived from the Restated Financial Information. For further details, see "*Restated Financial Information*" on page 248.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

1. Basic and diluted Earnings per Share ("EPS"), as adjusted for changes in capital:

(a) As derived from the Restated Consolidated Financial Information:

Financial Year	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2025	10.14	10.14	3
March 31, 2024	10.17	10.17	2
March 31, 2023	8.82	8.82	1
Weighted Average	**9.93**	**9.93**	

Notes:

1. *Basic EPS is calculated as restated consolidated profit / loss for the year attributable to owners of our Company divided by the weighted average number of Equity Shares outstanding during the year*
2. *Diluted EPS is calculated as restated consolidated profit / loss for the year attributable to owners of our Company divided by the weighted average number of Equity Shares outstanding during the year*
3. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/total of weights.*
4. *Basic and diluted earnings/(loss) per share: Basic and diluted earnings per share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended) read with the requirements of SEBI ICDR Regulations.*

(b) As derived from the Restated Standalone Financial Information:

Financial Year/Period	Basic EPS* (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2025	10.94	10.94	3
March 31, 2024	9.40	9.40	2
March 31, 2023	7.36	7.36	1
Weighted Average	**9.83**	**9.83**	

Notes:

1. *Basic EPS is calculated as restated standalone profit / loss for the year attributable to owners of our Company divided by the weighted average number of Equity Shares outstanding during the year*
2. *Diluted EPS is calculated as restated standalone profit / loss for the year attributable to owners of our Company divided by the weighted average number of Equity Shares outstanding during the year*
3. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/total of weights.*
4. *Basic and diluted earnings/(loss) per share: Basic and diluted earnings per share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended) read with the requirements of SEBI ICDR Regulations.*

2. Price/Earnings ("P/E") ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share:

(a) As derived from the Restated Consolidated Financial Information:

Particulars	P/E at Floor Price (number of times)	P/E at Cap Price (number of times)
Based on basic EPS for year ended March 31, 2025	[●]*	[●]*
Based on diluted EPS for year ended March 31, 2025	[●]*	[●]*

* *Offer Price per Equity Share will be determined on conclusion of the Book Building Process*

(b) As derived from the Restated Standalone Financial Information:

Particulars	P/E at Floor Price (number of times)	P/E at Cap Price (number of times)
Based on basic EPS for year ended March 31, 2025	[●]*	[●]*
Based on diluted EPS for year ended March 31, 2025	[●]*	[●]*

* *Offer Price per Equity Share will be determined on conclusion of the Book Building Process*

3. Industry P/ E ratio

We are engaged in the business of acquiring stressed assets from banks and financial institutions and implementing resolution strategies aimed at maximizing recovery and optimizing the value of such stressed assets to generate revenue streams. There are no listed companies in India or globally in the same industry. Publicly traded ARCs (operate under the name of Asset Management Companies) exist in other countries. Moreover, some of these such as China Huarong Asset Management Co., Ltd in China and Bangkok Commercial Asset Management in Thailand operate in a domain similar to ARCs. But a direct comparison with our Company is not feasible. This is due to the fact that these AMCs are either directly or indirectly backed by their respective governments. Moreover, the establishment of some of these AMCs was driven by distinct circumstances. The Chinese AMCs also got involved in government programs such as debt-equity swap schemes which is not the case in respect of Indian ARCs. Thus, the regulatory framework (including acquisition of assets, operations of business and resolution methods) pertaining to distressed asset industries of other countries would be different to that of Indian ARCs. Accordingly, we have not provided a comparison of Industry P/E ratio

4. Return on Average Net Worth ("RoNW")

(a) As per the Restated Consolidated Financial Information:

Financial Year	RoNW (%)	Weight
March 31, 2025	12.95	3
March 31, 2024	14.15	2
March 31, 2023	13.43	1
Weighted Average	**13.43**	

Notes:

1. *Return on average Net Worth (in %)is calculated as the restated consolidated profit for the year attributable to owners of our Company as a percentage of average net worth in such year. Average Net Worth represents the simple average of net-worth as at the last day of each of the relevant year and as of the last day of the preceding year.*
2. *Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*
3. *Weighted average = Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e., Return on Net Worth x Weight for each year/total of weights.*

(b) As per the Restated Standalone Financial Information:

Financial Year	RoNW (%)	Weight
March 31, 2025	13.59	3
March 31, 2024	12.99	2
March 31, 2023	11.19	1
Weighted Average	12.99	

Notes:

1. *Return on average Net Worth (in %)is calculated as the profit for the year as a percentage of average net worth in such year. Average Net Worth represents the simple average of net worth as at the last day of each of the relevant year and as of the last day of the preceding year.*
2. *Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*
3. *Weighted average = Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e., Return on Net Worth x Weight for each year/total of weights.*

5. Net Asset Value ("NAV") per Equity Share (face value of ₹10 each)

(a) As per the Restated Consolidated Financial Information:

Particulars	Amount (₹)
As at March 31, 2025	81.97
After the completion of the Offer	[●]*
- At the Floor Price	[●]*
- At the Cap Price	[●]*
- At the Offer Price	[●]*

* *Offer Price per Equity Share will be determined on conclusion of the Book Building Process*

Notes:

1. *Net Asset Value per Equity Share represents Net Worth as at the end of the year divided by weighted average number of Equity Shares outstanding at the end of the year, excluding treasury shares.*
2. *Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year, adjusted by the number of equity shares issued during the year multiplied by the time-weighting factor.*

(b) As per the Restated Standalone Financial Information:

Particular	Amount (₹)
As at March 31, 2025	85.19
After the completion of the Offer	[●]*

Particular	Amount (₹)
- At the Floor Price	[●]*
- At the Cap Price	[●]*
- At the Offer Price	[●]*

* *Offer Price per Equity Share will be determined on conclusion of the Book Building Process*

Notes:

1. *Net Asset Value per Equity Share represents Net Worth as at the end of the year divided by weighted average number of Equity Shares outstanding at the end of the year, excluding treasury shares.*
2. *Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year, adjusted by the number of equity shares issued during the year multiplied by the time-weighting factor.*

6. Comparison of Accounting Ratios with listed industry peers

We are engaged in the business of acquiring stressed assets from banks and financial institutions and implementing resolution strategies aimed at maximizing recovery and optimizing the value of such stressed assets to generate revenue streams. There are no listed companies in India or globally in the same industry. Publicly traded ARCs (operate under the name of Asset Management Companies) exist in other countries. Moreover, some of these such as China Huarong Asset Management Co., Ltd in China and Bangkok Commercial Asset Management in Thailand operate in a domain similar to ARCs. But a direct comparison with our Company is not feasible. This is due to the fact that these AMCs are either directly or indirectly backed by their respective governments. Moreover, the establishment of some of these AMCs was driven by distinct circumstances. The Chinese AMCs also got involved in government programs such as debt-equity swap schemes which is not the case in respect of Indian ARCs. Thus, the regulatory framework (including acquisition of assets, operations of business and resolution methods) pertaining to distressed asset industries of other countries would be different to that of Indian ARCs. Accordingly, we have not provided a comparison of accounting ratios with listed peers.

7. The Offer Price is [●] times of the face value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters. The trading price of the Equity Shares could decline, including due to the factors mentioned in "*Risk Factors*" on page 40, and you may lose all or part of your investments.

8. Key Performance Indicators ("KPIs")

The KPIs disclosed below have been used historically by our Company to understand and analyze its business performance, which in result, help us in analyzing the growth of business verticals. Our Company considers that the KPIs set forth below are the ones that may have a bearing for arriving at the basis for the Offer Price. The following table highlights our key performance indicators of our financial performance that have a bearing on arriving at the basis for Offer Price and disclosed to our investors during the three years preceding to the date of this Draft Red Herring Prospectus, as at the dates and for the period indicated:

The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below. We have also described and defined the KPIs, as applicable, in "*Definitions and Abbreviations*" beginning on page 1.

Sr. No.	KPI	Description
Business and Operational KPIs		
1.	Total Acquisition for the year	Total Acquisition for the year is the value of total purchase consideration paid for the acquisition of stressed assets during the year. This amount is equivalent to the value of SRs issued by the trusts managed by us during the year.
2.	Company's Share in Total Acquisition for the year	Company's share in Total Acquisition for the year is the Investment made by Company in the SRs Issued by the trusts managed by our Company for the relevant year
3.	Company's Share in Total Acquisition for the year as % of Total Acquisition for the year	Company's share in Total Acquisition for the year is the Investment made by Company in the SRs Issued by the Trusts managed by the company for the relevant year divided by the Total Acquisition for the year
4.	Total AUM	Total Assets under management (AUM) comprise of SRs outstanding of all trusts managed by our Company as on the last day of the year.
5.	Company's share in Total AUM	Company's share in Total AUM represents our Company's outstanding investment in the Total AUM
6.	Company's share % of Total AUM	Company's share % of Total AUM represents our Company's outstanding investment in the Total AUM divided by the Total AUM
7.	Collection (or) Recovery for the year	Collection (or) Recovery for the year is the value of amount collected (or) recovered from the borrowers against the AUM managed by our Company during the year

Sr. No.	KPI	Description
8.	Total Acquisition or Cumulative SR Issued	Total Acquisition or Cumulative SRs issued is the value of total SRs issued by the trusts managed by us since inception till as of the last day of the relevant year
9.	SR Redemption for the year	SR Redemption for the year is the value of SRs redeemed by the trusts managed by our Company during the year
10.	Cumulative SR Redemption	Cumulative SR Redemption is the value of SRs redeemed by the trust managed by our Company since inception till as on the last day of the relevant year
11.	Cumulative SR Redemption Ratio	Cumulative SR Redemption Ratio is cumulative SRs redeemed by the trusts managed by our Company till last day of the relevant year divided by Cumulative SRs issued by the trust managed by our Company till last day of the relevant year
Restated Standalone Financial Information		
12.	Total Revenue from Operations	Total Revenue from Operations includes revenue generated from the management and resolution of stressed assets acquired from banks and financial institutions as reported in the Annual report / Financial Results of our Company, which may include Fee & Other Income, Other Operating Income (Investment Income), Write-backs, Fair Value gain and Interest Income
13.	Profit After Tax	Profit after tax is the total of income less expenses (including tax expense), excluding the components of other comprehensive income. Profit after tax for the relevant Fiscal/ period attributable to Owners of our Company is reported in the Annual Report / financial statements for the relevant Fiscal/ period.
14.	Return on Average Total Assets	Return on Average Total Assets is calculated by dividing Profit for the relevant year divided by average Total Assets. Average Total Assets represents the simple average of Total Assets as of the last day of the relevant year and as of the last day of preceding year
15.	Net worth	Net worth means the aggregate value of the paid - up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write - back of depreciation and amalgamation. Net worth is calculated as equity share capital plus Instrument entirely equity in nature plus other equity
16.	Debt to Equity Ratio	Debt-equity Ratio is calculated by dividing total debt (including both current and non-current borrowings) by net worth of our Company
17.	Return on Average Equity	Return on Average Equity is calculated by dividing restated profit for the period divided by average Net worth. Average Net Worth represents the simple average of Net Worth as of the last day of the relevant year and as of the last day of the preceding year
18.	Net Owned Funds	Net Owned Funds is calculated by adjusting the net worth for impairment, fair value losses and any intangibles
19.	CRAR	Capital adequacy ratio or capital to risk weighted assets ratio (CRAR) is computed by dividing our Tier I and Tier II capital by risk weighted assets (CRAR) (%) is computed in accordance with the relevant RBI guidelines)
Restated Consolidated Financial Information		
20.	Total Revenue from Operations	Total Revenue from Operations includes revenue generated from the management and resolution of stressed assets acquired from banks and financial institutions as reported in the Annual report / Financial Results of our Company, which may include Fee & Other Income, Other Operating Income (Investment Income), Write-backs, Fair Value gain and Interest Income
21.	Profit After Tax Attributable to our Company	Profit after tax is the total of income less expenses (including tax expense), excluding the components of other comprehensive income. Profit after tax for the relevant Fiscal/ period attributable to Owners of our Company is reported in the Annual Report / financial statements for the relevant Fiscal/ period.
22.	Return on Average Total Assets	Return on average total assets is calculated by dividing Profit attributable to our Company for the relevant year divided by average Total Assets. Average total assets represent the simple average of total assets as of the last day of the relevant year and as of the last day of preceding year
23.	Net worth	Net worth means the aggregate value of the paid - up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write - back of depreciation and amalgamation. Net worth is calculated as equity share capital plus Instrument entirely equity in nature plus other equity.
24.	Debt to Equity Ratio	Debt-equity ratio is calculated by dividing total debt (including both current and non-current borrowings) by net worth of our Company
25.	Return on Average Equity	Return on Average Equity is calculated by dividing restated profit attributable to our Company for the period divided by average Net worth. Average Net Worth represents the

Sr. No.	KPI	Description
		simple average of Net Worth as of the last day of the relevant year and as of the last day of the preceding year

Details of our KPIs for Fiscals 2025, 2024 and 2023:

Particulars	Units	Fiscal 2025	Fiscal 2024	Fiscal 2023
Business and Operational KPI				
Total Acquisition for the year[(1)]	INR Mn	39,758.71	20,689.82	42,889.62
Company's Share in Total Acquisition for the year	INR Mn	12,814.89	9,449.68	8,166.62
Company's Share in Total Acquisition for the year as % of Total Acquisition for the year	%	32.23%	45.67%	19.04%
Total AUM[(2)]	INR Mn	1,68,525.70	1,52,300.31	1,62,234.83
Company's share in Total AUM	INR Mn	32,983.01	27,633.87	26,445.09
Company's share % of Total AUM	%	19.57%	18.14%	16.30%
Collection (or) Recovery for the year[(3)]	INR Mn	38,826.55	36,781.46	27,167.57
Total Acquisition or Cumulative SR Issued[(4)]	INR Mn	3,81,556.32	3,41,797.61	3,21,107.79
SR Redemption for the year[(5)]	INR Mn	22,233.11	29,534.71	20,269.76
Cumulative SR Redemption[(6)]	INR Mn	1,97,619.10	1,75,385.99	1,45,851.29
Cumulative SR Redemption Ratio[(7)]	%	51.79%	51.31%	45.42%
Restated Standalone Financial Information				
Total Revenue from operations	INR Mn	5,964.23	5,701.41	7,513.14
Profit After Tax	INR Mn	3,553.19	3,053.41	2,391.24
Return on Average Total Assets [(8)]	%	11.73%	11.48%	9.83%
Net worth [(9)]	INR Mn	27,677.98	24,625.11	22,397.43
Debt /Equity Ratio[(10)]	(times)	0.11	0.06	0.05
Return on Average Equity[(11)]	%	13.59%	12.99%	11.19%
Net Owned Funds [(12)]	INR Mn	25,637.95	23,915.14	21,382.76
CRAR [(13)]	%	90.59%	99.03%	95.82%
Restated Consolidated Financial Information				
Total Revenue from operations	INR Mn	5,817.55	6,058.24	8,091.94
Profit After Tax Attributable to our Company	INR Mn	3,295.08	3,304.65	2,865.99
Return on Average Total Assets[(14)]	%	8.18%	10.25%	10.80%
Net worth[(9)]	INR Mn	26,631.41	24,265.14	22,441.56
Debt /Equity Ratio[(10)]	(times)	0.11	0.06	0.05
Return On Average Equity[(15)]	%	12.95%	14.15%	13.43%

Notes:

(1) Total Acquisition for the year is the value of total purchase consideration paid for the acquisition of stress assets during the year. This amount is equivalent to the value of Security Receipts issued by the trusts managed by our Company during the year.

(2) Total Assets under management (AUM) comprise of SRs outstanding of all trusts managed by our Company as on the last day of the year.

(3) Collection (or) Recovery for the year is the value of amount collected (or) recovered from the borrowers against the AUM managed by our Company during the year.

(4) Total Acquisition or Cumulative SRs issued is the value of total SRs issued since inception till as of the last day of the relevant year

(5) SR Redemption for the year is the value of SRs redeemed by the trusts managed by our Company during the year

(6) Cumulative SR Redemption is the value of SRs redeemed by the trusts managed by our Company since inception till as of the last day of the relevant year

(7) Cumulative SR Redemption Ratio is cumulative SRs redeemed by the trusts managed by our Company till end of a relevant year divided by Cumulative SRs issued by the trusts managed by our Company till end of the relevant year

(8) Return on Average Total Assets is calculated by dividing Profit for the relevant year divided by average Total Assets. Average Total Assets represents the simple average of Total Assets as of the last day of the relevant year and as of the last day of preceding year

(9) Net worth means the aggregate value of the paid - up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write - back of depreciation and amalgamation. Net worth is calculated as equity share capital plus Instrument entirely equity in nature plus other equity.

(10) Debt to Equity is calculated by dividing total debt (including both current and non-current borrowings and interest accrued but not due) as on year end by the net worth of our company for the year end.

(11) Return on Average Equity is calculated by dividing restated profit for the period divided by average Net worth. Average Net Worth represents the simple average of Net Worth as of the last day of the relevant year and as of the last day of the preceding year

(12) Net Owned Funds is calculated by adjusting the net worth for impairment, fair value losses and any intangibles

(13) Capital adequacy ratio or capital to risk weighted assets ratio (CRAR) is computed by dividing our Tier I and Tier II capital by risk weighted assets CRAR (%) is computed in accordance with the relevant RBI guidelines)

(14) Return on Average Total Assets is calculated by dividing Profit After Tax attributable to our Company for the relevant year divided by average Total Assets. Average Total Assets represents the simple average of Total Assets as of the last day of the relevant year and as of the last day of preceding year

(15) Return on Equity is calculated by dividing restated profit after tax attributable to our Company for the period divided by average Net worth. Average Net Worth represents the simple average of Net Worth as of the last day of the relevant year and as of the last day of the preceding year

The key performance indicators set forth above, have been approved by the Audit Committee pursuant to its resolution dated August 1, 2025. Further, the Audit Committee has on August 1, 2025 taken on record that other than the key performance indicators set forth above, our Company has not disclosed any other such key performance indicators during the last three years preceding the date of this Draft Red Herring Prospectus to its investors. Further, the aforementioned KPIs have been certified by J. Kala & Associates, Chartered Accountants, by their certificate dated August 1, 2025.

Our Company shall continue to disclose the KPIs disclosed above, on a periodic basis, at least once in a year (or for any lesser period as determined by our Company), for a duration that is at least the later of one year after the listing date or period specified by SEBI. Any change in these KPIs, during the aforementioned period, will be explained by our Company. The ongoing KPIs will continue to be certified as required under the SEBI ICDR Regulations.

For further details of our other operating metrics, see "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 165 and 372, respectively.

Description on the historic use of the KPIs by our Company to analyze, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs, as stated above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Financial Information. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS. Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

Comparison of KPIs based on additions or dispositions to our business

We have not undertaken any addition or disposition of assets / business during Fiscals 2025, 2024 and 2023.

9. Comparison of our key performance indicators with listed industry peers

We are engaged in the business of acquiring stressed assets from banks and financial institutions and implementing resolution strategies aimed at maximizing recovery and optimizing the value of such stressed assets to generate revenue streams. There are no listed companies which are comparable in size to our Company in India or globally in the same industry. Publicly traded ARCs (operate under the name of Asset Management Companies) exist in other countries. Moreover, some of these such as China Huarong Asset Management Co., Ltd in China and Bangkok Commercial Asset Management in Thailand operate in a domain similar to ARCs. But a direct comparison with our Company is not feasible. This is due to the fact that these AMCs are either directly or indirectly backed by their respective governments. Moreover, the establishment of some of these AMCs was driven by distinct circumstances. The Chinese AMCs also got involved in government programs such as debt-equity swap schemes which is not the case in respect of Indian ARCs. Thus, the regulatory framework (including acquisition of assets, operations of business and resolution methods) pertaining to distressed asset industries of other countries would be different to that of Indian ARCs. (*Source CRISIL Report*)

10. Past transfer(s)/ allotment(s)

(a) Price per share of our Company (as adjusted for corporate actions, including split, bonus issuance) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option plans and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transactions and excluding employee stock options granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days

Our Company confirms that there has been no primary/new issue of shares (Equity Shares/convertible securities), excluding grants of any options and issuance of bonus shares, equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated on the pre-issue capital before such transaction and excluding employee stock options granted but not vested), in a single transaction or multiple transactions (combined together over a span of rolling 30 days) during 18 months preceding the date of filing of this Draft Red Herring Prospectus.

(b) Price per share of Issuer Company based on secondary sale/ acquisition of shares equity/convertible securities), where Promoter/ Promoter Group entities or Selling Shareholders or shareholder(s) having the right to nominate director(s) in the Board of our Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5 % of the fully diluted paid-up share capital of our Company (calculated based on the pre- issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

There have been no secondary sale/acquisition of shares (Equity Share/convertible securities) by Promoters, Promoter Group entities, Promoter Selling Shareholder, Shareholders having the right to nominate directors to the Board, excluding gifts, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated on the pre-issue capital before such transaction and excluding employee stock options granted but not vested), in a single transaction or multiple transactions (combined together over a span of rolling 30 days) during 18 months preceding the date of filing of this Draft Red Herring Prospectus

Since there are no such transaction to report to under (a) and (b) above, the following are the details of the last five primary or secondary transactions (secondary transactions where Promoters or members of the Promoter Group or Promoter Selling Shareholders or Shareholder(s) having the right to nominate director(s) on the Board of our Company, are a party to the transaction), not older than three years prior to the date of certificate irrespective of the size of transactions:

i. There are no primary transactions where Promoters or members of the Promoter Group or Promoter Selling Shareholders or Shareholder(s) having the right to nominate director(s) on the Board of our Company, are a party to the transaction), older than three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions.

ii. Secondary Transaction:

Date of transfer	Name of transferor	Name of transferee	Nature of consideration	Number of Equity Shares of face value ₹10 each	Face value per Equity Share (in ₹)	Issue price per Equity Share (in ₹)	Total Consideration (₹)
March 29, 2023	Punjab National Bank	Avenue India Resurgence Pte. Ltd	Cash	3,25,06,486	10	60.53	1,96,76,17,598

11. The Floor Price and Cap Price vis-à-vis Weighted Average Cost of Acquisition based on past allotment(s)/ secondary transaction(s)

Past allotment/ secondary transactions	Weighted average cost of acquisition per Equity Share (in ₹)	Floor Price (*i.e.*, ₹ [●])#	Cap Price (*i.e.*, ₹ [●])#
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s), in a single transaction or multiple transactions combined together over a span of rolling 30 days	NA^	[●] times	[●] times
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares (equity/convertible securities), where promoter / promoter group entities or Promoter Selling Shareholders or shareholder(s) having the right to nominate director(s) in the Board of our Company are a party to the transaction (excluding gifts), during	NA^^	[●] times	[●] times

Past allotment/ secondary transactions	Weighted average cost of acquisition per Equity Share (in ₹)	Floor Price (*i.e.*, ₹ [●])#	Cap Price (*i.e.*, ₹ [●])#
the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s), in a single transaction or multiple transactions combined together over a span of rolling 30 days			
Since there were no primary or secondary transactions of equity shares of our Company during the 18 months preceding the date of this Draft Red Herring Prospectus, the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions where promoter /promoter group entities or shareholder(s) having the right to nominate director(s) on the Board, are a party to the transaction, not older than three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of the transaction.	-	-	-
- Based on primary issuance	NA*	[●]	[●]
- Based on secondary transactions	60.53	[●]	[●]

To be determined at the Prospectus stage.

Note:

^ *There were no primary / new issue of shares (equity/ convertible securities) transactions in last 18 months prior to the date of this Draft Red Herring Prospectus.*

^^ *There were no secondary sales / acquisition of shares of shares (equity/ convertible securities) transactions in last 18 months prior to the date of this Draft Red Herring Prospectus.*

* *There was no primary issuance older than three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of the transaction.*

Explanation for Offer Price/ Cap Price

Set forth below is an explanation for the Offer Price and Cap Price being (i) [●] times and [●] times, respectively, the weighted average cost of acquisition of primary transactions in last three years; and (ii) [●] times and [●] times, respectively, the weighted average cost of acquisition of secondary transactions in last three years; along with our Company's KPIs and financial ratios for the Fiscals 2023, 2024 and 2025, and in view of the external factors which may have influenced the pricing of the Offer:

[●]*

* *To be included at the Prospectus stage*

The Offer Price will be [●] times of the face value of the Equity Shares

The Offer Price of ₹ [●] has been determined by our Company in consultation with the BRLMs, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters. Investors should read the above information along with *'Risk Factors', 'Our Business', 'Restated Financial Information'* and *'Management's Discussion and Analysis of Financial Conditions and Results of Operations'* on pages 40, 165, 248 and 372. The trading price of the Equity Shares could decline due to the factors mentioned in '*Risk Factors*' or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

Date: August 1, 2025

To,

The Board of Directors
Asset Reconstruction Company (India) Limited
The Ruby, 10th Floor, 29, Senapati Bapat Marg,
Dadar (West), Mumbai 400 028

Sub: Statement of possible special tax benefits available to Asset Reconstruction Company (India) Limited and its shareholders prepared in accordance with the requirements under Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations")

1. We, MSKA & Associates ("the Firm"), Chartered Accountants, the statutory auditors of Asset Reconstruction Company (India) Limited (the "Company") hereby confirm the enclosed statement in the Annexure **("Statement")** prepared and issued by the Company, which provides the possible special tax benefits under Income-tax Act, 1961 ('Act') presently in force in India viz. the Income-tax Act, 1961, ('Act'), the Income-tax Rules, 1962, ('Rules'), the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, The Customs Act, 1962, The Customs Tariff Act, 1975 and the Foreign Trade Policy, (collectively the "**Taxation Laws**"), including regulations, circulars and notifications issued thereon, as applicable to the assessment year 2026-27 relevant to the financial year 2025-26, available to the Company and its shareholders; There is no subsidiary of the Company in accordance with the Companies Act, 2013. Several of these benefits are dependent on the Company and its shareholders, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company and its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its shareholders face in the future, the Company and its shareholders may or may not choose to fulfil.

2. This statement of possible special tax benefits is required as per Schedule VI (Part A)(9)(L) of the SEBI ICDR Regulations. While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, the same would include those benefits as enumerated in the Statement. Any benefits under the Taxation Laws other than those specified in the Statement are considered to be general tax benefits and therefore not covered within the ambit of this Statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the Statement, have not been examined and covered by this Statement.

3. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

4. The benefits discussed in the enclosed Statement cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to them.

5. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

6. The benefits stated in the enclosed Statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.

7. We do not express any opinion or provide any assurance whether:

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

- The revenue authorities/courts will concur with the views expressed herein.

8. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India (the "Guidance Note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

10. The contents of the enclosed Statement 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. We have relied upon the information and documents of the Company being true, correct, and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.

11. This Statement is addressed to Board of Directors of the Company and issued at specific request of the Company. The enclosed Annexure to this Statement is intended solely for your information and for inclusion in the draft red herring prospectus, red herring prospectus, the prospectus and any other material in connection with the proposed initial public offering of equity shares of the Company, and is not to be used, referred to or distributed for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views contained in our statement. While reasonable care has been taken in the preparation of this certificate, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

For **M S K A & Associates**
Chartered Accountants
Firm Registration Number:105047W

Swapnil Kale
Partner
Membership Number: 117812

UDIN: 25117812BMNUYE2979
Place: Mumbai
Date: August 1, 2025

Annexure A

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO Asset Reconstruction Company (India) Limited ('THE COMPANY') AND ITS SHAREHOLDERS UNDER THE INCOME-TAX ACT, 1961 ('Act')

This statement sets out below the possible tax benefits available to the Company, and its shareholders under the current tax laws presently in force in India. Several of these benefits are dependent on fulfilling various conditions prescribed under the relevant tax laws and subject to General Anti Avoidance Rules covered under Chapter X-A of the Act. Accordingly, the ability of the Company and its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which are based on the business imperatives, the Company or the shareholders may or may not choose to fulfil.

This statement sets out below the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences/implications of the subscription, ownership and disposal of equity shares pursuant to the proposed Offer. This statement is only intended to provide general information to the investors and is neither exhaustive or comprehensive nor designed or intended to be a substitute for professional/legal tax advice. In view of the individual nature of tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. In respect of non-residents, the tax rates and the consequent taxation, mentioned in this section shall be further subject to any benefits available under the Double Taxation Avoidance Agreement ('DTAA'), if any, read with the relevant multi-lateral instrument ('MLI') between India and the country in which the non-resident is resident for tax purposes.

Special Tax benefit available to the Company under the Act:

There are no special tax benefit available to the company.

A. General tax benefits available to the Company under the Act:

1. Benefit of lower rate of tax under Section 115BAA of the Act

Section 115BAA of the Act provides an option to a domestic company to pay corporate tax at a reduced rate of 22% (plus applicable surcharge at the rate of 10% and education cess at the rate of 4%). In case the Company opts for concessional income tax rate as prescribed under section 115BAA of the Act, it will not be allowed to claim any of the following deductions/ exemptions:

i. Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)

ii. Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation)

iii. Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund)

iv. Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or subsection (2AA) or sub- section (2AB) of section 35 (Expenditure on scientific research)

v. Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)

vi. Deduction under section 35CCD (Expenditure on skill development)

vii. Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA (Deduction in respect of employment of new employees) and 80M (Deduction in respect of certain inter-corporate dividends);

viii. No set-off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above.

ix. No set-off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred from point i to vii above.

The provisions of section 115JB regarding Minimum Alternate Tax (MAT) are not applicable if the Company opts for the concessional income tax rate as prescribed under section 115BAA of the Act. Further, the Company will not be entitled to claim tax credit relating to MAT paid in earlier previous years.

The option to pay tax under section 115BAA of the Act shall be exercised on or before the due date of filing the income tax return by filing a declaration in Form 10-IC with the income-tax authorities. Once option is exercised, it cannot be subsequently withdrawn for the same or any other subsequent assessment year. Further, if the conditions mentioned in section 115BAA of the Act are not satisfied / violated in an previous year, then the option exercised shall become invalid for assessment year in respect of such previous year and subsequent assessment years and the provisions of the Act shall apply as of the option under section 115BAA of the Act had not been exercised by the Company.

The Company pays tax as per rates prescribed under section 115BAA of the Act. The Company has appropriately filed Form 10-IC with the income-tax authority.

2. Section 80JJAA – Deduction of additional employee cost

The Company is entitled to claim a deduction of an amount equal to 30% of additional employee cost incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such additional employment is provided under section 80JJAA of the Act, subject to the fulfilment of prescribed conditions therein.

3. Income Computation Disclosure Standard

The Company is maintaining its books of account as per IND AS. The Company follows the Income Computation and Disclosure Standards (ICDS) for computing total income for income-tax purpose. The Company will have to make ICDS adjustments to arrive at taxable total income.

B. General Tax benefits/implications to Shareholder/ Investors of the Company

1. **Resident shareholder**

Dividend income earned by the shareholders should be taxable in their hands at the applicable rates in accordance with the provisions of the Act. In case the shareholder is a domestic company, deduction under section 80M of the Act would be available upon fulfilment of the prescribed conditions. The Company will withhold tax at applicable rates on payment of dividend to shareholders.

Where shares are held as capital assets for more than 12 months immediately preceding its date of transfer then as per Section 112A of the Act, long-term capital gains arising inter alia from transfer of an equity share through the recognized stock exchange which takes place on or after 23 July 2024, should be taxed at 12.5% (plus applicable surcharge and cess) (without indexation and foreign exchange fluctuation benefit) of such capital gains, subject to fulfilment of prescribed conditions under the Act. Tax shall be levied where such capital gains exceed ₹1,25,000. = . Where shares are held as capital assets for 12 months or less then as per Section 111A of the Act, short term capital gains arising inter alia from transfer of an equity share through the recognized stock exchange which takes place on or after 23 July 2024, should be taxed at 20% (plus applicable surcharge and cess) subject to fulfilment of prescribed conditions under the Act.

In case of shareholder who are individuals, Hindu-undivided Family (‘HUF’), Association of Persons (‘AOP’), Body of Individuals (‘BOI’) and Artificial Judicial Person (‘AJP’), surcharge on such dividends, capital gains under section 111A, 112A and 112 of the Act would be restricted to 15% even if the total income of such shareholder exceeds INR 1 crore. However, if the total income of the shareholder is between INR 50 lakhs to INR 1 crore, surcharge at the rate of 10% shall be applicable.

The new tax regime (default tax regime) under section 115BAC of the Act is applicable to the individuals, HUFs, AOP (other than co-operative society), BOI and AJP subject to non-availment of certain exemptions and deductions. Shareholders have the discretion to opt to pay tax under the old tax regime.

2. **Non- resident shareholder**

In respect of non-resident shareholders, the tax rates and the consequent taxation shall be as per the provisions of the Act and it is further subject to any benefits available under the applicable DTAA, if any, between India and the country of which the non-resident is a tax resident, as read with the MLI and subject to furnishing of tax residence certificate, electronically filed Form 10F and any other document as may be required. Further, the non-resident shareholder would be eligible to claim foreign tax credit, based on the local laws of the country of which the shareholder is a resident. The Company will withhold tax at applicable rates on payment of dividend to shareholders.

3. **Special tax benefits/implications to Shareholders of the Company**

Except the above and apart from the tax benefits available to each class of shareholders as such, there are no special tax benefits for the shareholders.

Income of the securitisation trust (i.e., ARC Trusts) is exempt from tax under section 10(23DA) of the IT Act. Such income is taxable in the hands of the SR Holders as per the provisions of section 115TCA of the IT Act.

UNDER THE INDIRECT TAX LAWS

Outlined below are the special indirect tax benefits available to the Company and its shareholders under the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962 and the Customs Tariff Act, 1975 including the rules, regulations, circulars and notifications issued in connection thereto (collectively referred to as the "Indirect Taxation laws").

1. Special Indirect Tax benefit available to the Company

Based on the information provided by the management, we hereby state that there are no special indirect tax benefits available to the Company. However, with respect to collection fees received by the Company from banking companies, the liability to pay Goods and Services Tax (GST) arises on the recipient under Reverse Charge Mechanism ('RCM'), as per Entry No. 8 of Notification No. 13/2017 – Central Tax (Rate) dated 28th June 2017.

2. Special Indirect Tax benefits/implications to Shareholders of the Company

Based on the information provided by the management, we hereby state that there are no special indirect tax benefits available to the shareholders of the Company.

Disclaimers:

The above Statement covers general tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.

The above Statement of general tax benefits sets out the provisions of Indian tax laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

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. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed offer.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

The above views are basis the provisions of law, their interpretation and applicability as on date, which may be subject to change from time to time.

For Asset Reconstruction Company (India) Limited

Pramod Gupta
Chief Financial Officer
Mumbai, Maharashtra
Date - August 1, 2025

SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Analysis of Asset Reconstruction Industry in India" dated July, 2025 (the "**CRISIL Report**") prepared and issued by CRISIL Limited, appointed by us pursuant to an engagement letter dated March 11, 2025 and exclusively commissioned and paid for by us to enable investors to understand the industry in which we operate in connection with the Offer. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular Calendar Year/ Fiscal refers to such information for the relevant Calendar Year/ Fiscal. The CRISIL Report will form part of the material documents for inspection and a copy of the CRISIL Report shall be available on the website of our Company from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents of the CRISIL Report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. While preparing the report, CRISIL has also sourced information from publicly available sources, including our Company's financial statements available publicly.*

For further information, see "Risk Factors - Certain sections of this Draft Red Herring Prospectus disclose information from the CRISIL Report which is a paid report and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 61. Also see, "Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data –Industry and Market Data" on page 36.

Macroeconomic scenario

Global economy is expected to grow at 2.8% and 3.0% for CY2025 and CY2026 respectively

The International Monetary Fund (IMF) in its January 2025 outlook forecasted a growth rate of 3.3 percent for the global economy in both the Calendar Years 2025 and 2026. However, following the announcement of tariffs by USA in April 2025, the IMF revised its growth projections downward to 2.8% and 3.0% for 2025 and 2026, respectively, representing reductions of 0.5% and 0.3% compared to its January outlook. The International Monetary Fund ("**IMF**") also reported that global inflation is expected to rise by 0.1%, while global trade growth is projected to dip to 1.7% in CY 2025, a downward revision of 1.5% from their January 2025 update in which trade was expected to dip to 3.2% from 3.4% in CY 2024.

Indian Economy

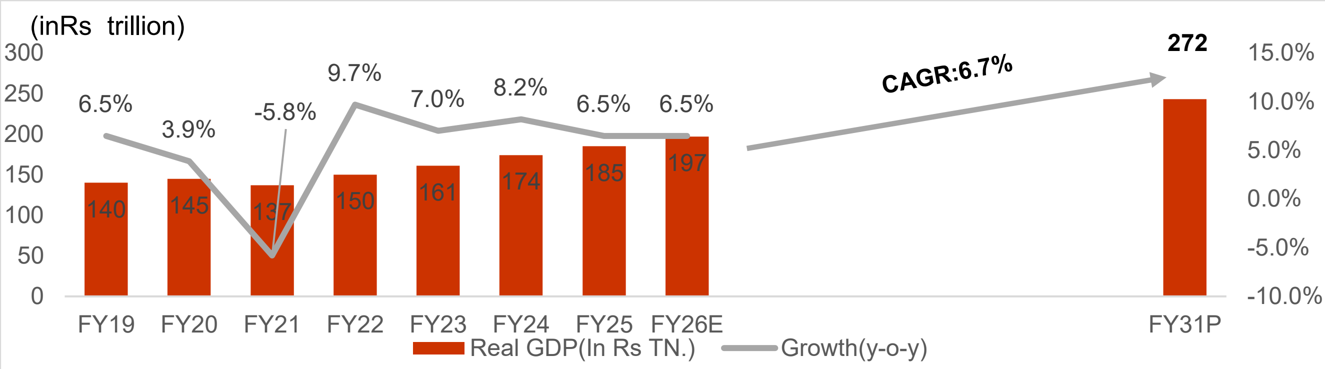
India is expected to remain one of the fastest growing economies in the world despite challenging global macroeconomic situation

India's real Gross Domestic Product ("**GDP**") grew at 6.5% on-year in Fiscal 2025 and CRISIL Intelligence expects this growth rate to remain at 6.5% on-year in Fiscal 2026 as well. Private consumption is expected to emerge as the primary driver of growth, spurred by a recovery in rural demand because of better agricultural prospects and increase in government consumption expenditure. RBI's rate cuts possibility, lower crude oil prices and a normal monsoon are expected to support growth. Despite global geopolitical instability, India continues to maintain its position as one of the fastest-growing economies globally.

India's economy expected to grow at a strong pace of 6.7% CAGR during Fiscal 2026 to Fiscal 2031

CRISIL Intelligence expects India's real GDP growth to be steady at 6.5% on-year in Fiscal 2026, driven by domestic drivers, despite global uncertainties. The forecast is based on assumptions of a normal monsoon and soft commodity prices. Corporate India's revenue growth is also expected to grow at an estimated 7% to 8% on-year in Fiscal 2026.

India's Real GDP growth trajectory – historical and future



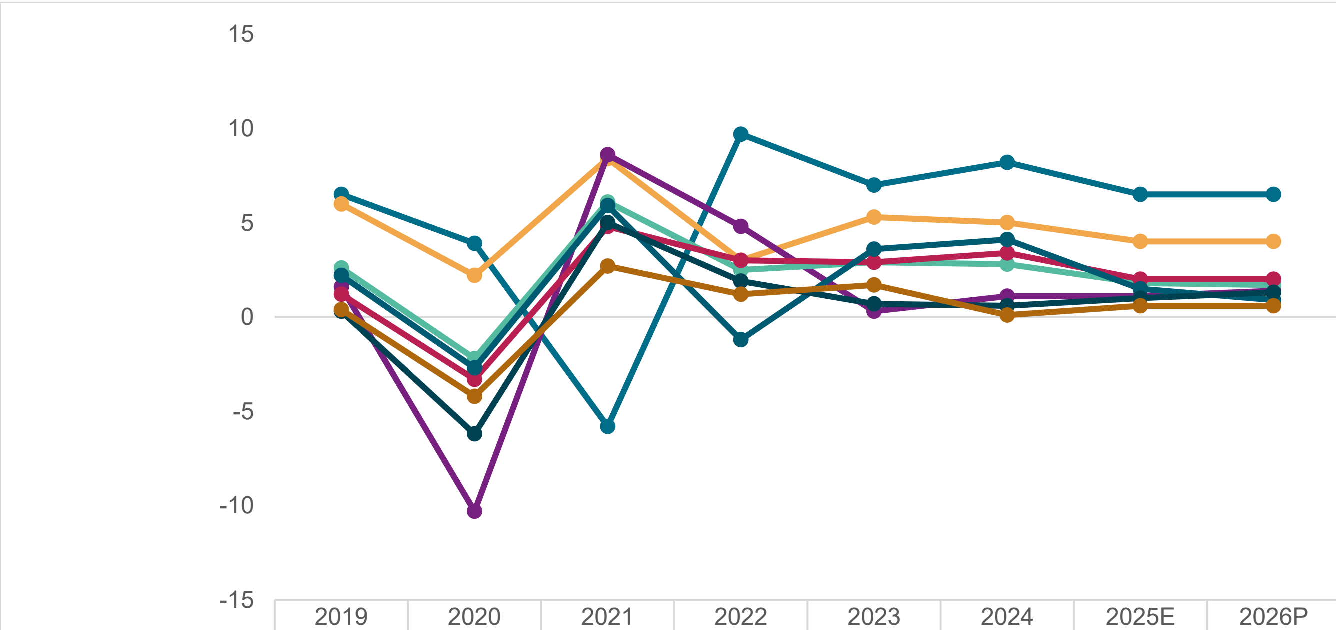
Note: E = Estimated, P = Projected; GDP growth till Fiscal 2025 is actual. GDP Estimates for Fiscals 2026 to 2031 based on CRISIL Intelligence estimates; Source: NSO, CRISIL Intelligence

Inflation is projected to decline to 4.0% this Fiscal 2026, supported by moderating inflation, stable commodity prices, and resilient domestic demand. Over the medium term (till Fiscal 2031), CRISIL Intelligence expects India's GDP to grow at an average rate of 6.7% per year, with capital or investments playing a dominant role, and a bigger push from efficiency gains.

India is one of the fastest-growing major economies (Real GDP growth, 6.5% year-on-year in Fiscal 2025)

Over the three Fiscals (Fiscal 2022 to Fiscal 2024), Indian economy outperformed its global counterparts in terms of real GDP growth. The average real GDP growth during the period was approximately 400 bps higher as compared to China. India continued this trend in Fiscal 2025 also by recording a growth rate of 6.5% on-year. India's GDP growth was driven by a relatively balanced set of domestic drivers.

Real GDP growth comparison: India vs advanced and emerging economies



	2019	2020	2021	2022	2023	2024	2025E	2026P
India	6.5	3.9	-5.8	9.7	7.0	8.2	6.5	6.5
China	6.0	2.2	8.4	3.0	5.3	5.0	4.0	4.0
United Kingdom	1.6	-10.3	8.6	4.8	0.3	1.1	1.1	1.4
United States	2.6	-2.2	6.1	2.5	2.9	2.8	1.8	1.7
Brazil	1.2	-3.3	4.8	3.0	2.9	3.4	2.0	2.0
Russia	2.2	-2.7	5.9	-1.2	3.6	4.1	1.5	0.9
South Africa	0.3	-6.2	5.0	1.9	0.7	0.6	1.0	1.3
Japan	0.4	-4.2	2.7	1.2	1.7	0.1	0.6	0.6

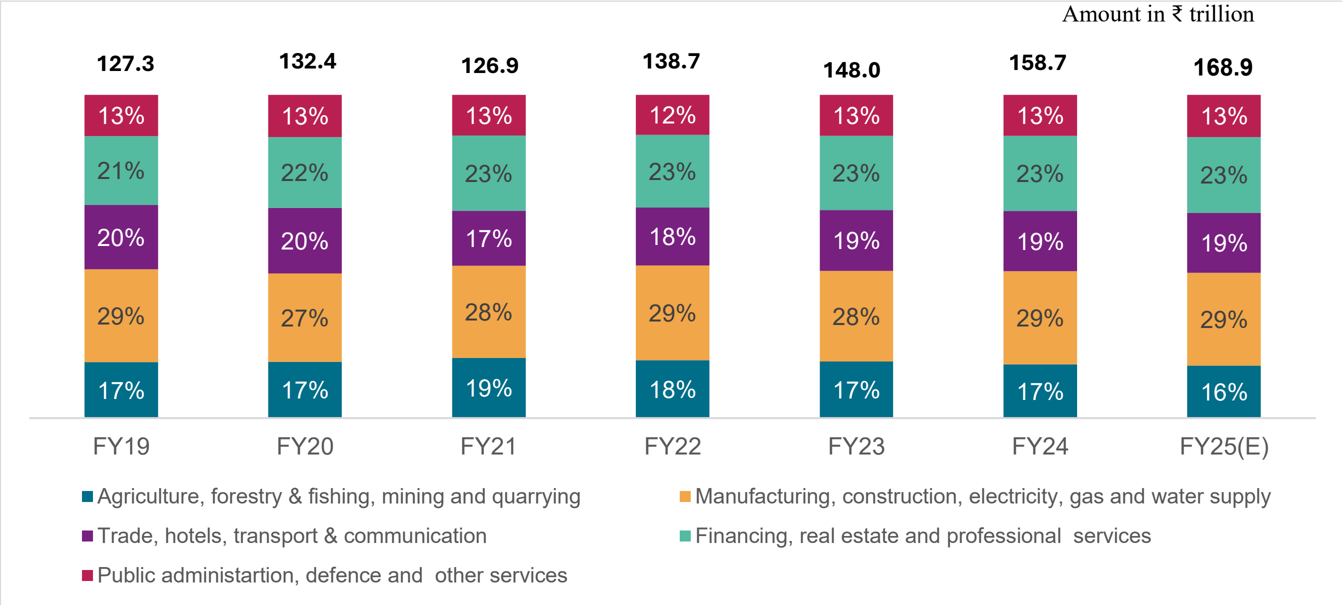
Note: Figures are in %; All forecasts refer to IMF forecasts (except for Fiscal 2026 for India which is based on CRISIL forecast). GDP growth is based on constant prices, Data represented is for Calendar Years, Growth numbers for India are in Fiscal year, Data represented for other countries is for Calendar Years, E: Estimated, P: Projected;

Source: IMF (World Economic Outlook – April 2025), CRISIL Intelligence

Split of gross value added (GVA) by type of economic activity (% split, ₹ trillion)

The total gross value added increased at a CAGR of around 4.5% between Fiscals 2019 and 2024 from ₹ 127.3 trillion in Fiscal 2019 to ₹ 158.7 trillion in Fiscal 2024. It is expected to rise to ₹ 168.9 trillion in Fiscal 2025.

Sector wise Gross Value Added (during Fiscals 2019 to 2024)



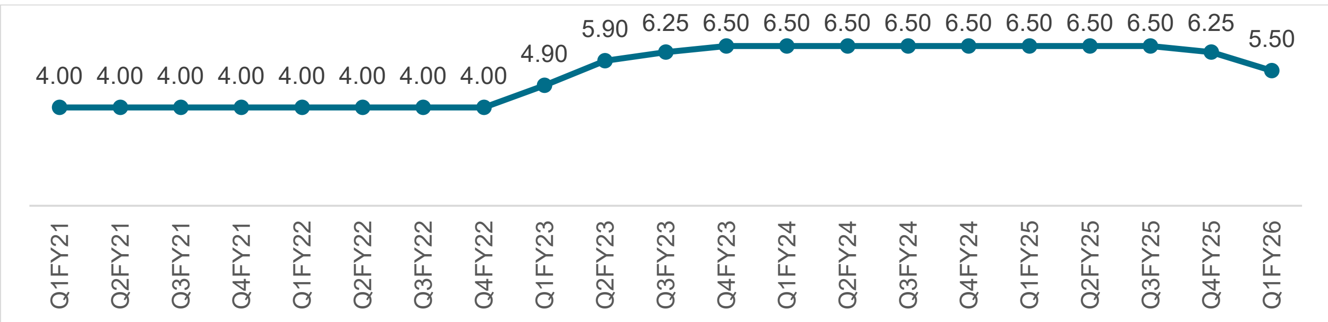
Fiscal : Fiscal year, E: Estimated
Source: Economic Survey 2024 to 2025, Crisil Intelligence

During this period, the only on-year decline came in Fiscal 2021, when GVA reduced by around 4% on-year on the account of pandemic induced lockdowns. However, it rebounded by growing at around 9% on-year in Fiscal 2022 owing to pent-up demand across sectors. In Fiscal 2025, GVA is expected to increase by approximately 6.4% over Fiscal 2024 numbers.

RBI cuts repo rate by 25 bps in April 2025 and 50 bps further in June 2025

In April 2025, RBI reduced the policy repo rate by 25 bps to 6.00%. It reduced the repo rate further by 50 bps to 5.5% in the first week of June 2025. This is done mainly considering softening inflation and the need to boost growth.

Repo rate in India (%) over the last 21 quarters

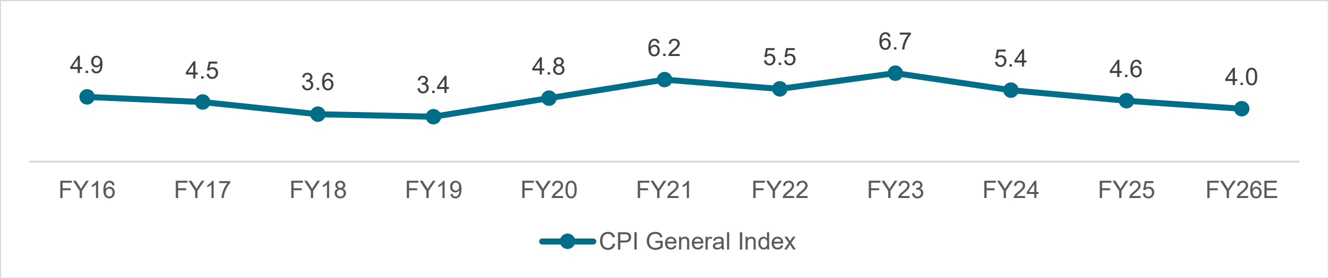


Source: RBI, Crisil Intelligence

Consumer Price Index ("CPI") inflation to average at 4% in Fiscal 2026

Consumer price index (CPI) inflation fell to 2.1% in June 2025, the lowest point since January 2019. This is a reduction of 0.7% from 2.8% in May 2025, as the food inflation turned negative and fuel inflation continued easing. The food inflation settled at -1.1%- also the lowest since January 2019- from 1.0% in May; fuel inflation slipped to 2.6% from 2.8% previously. Overall, Consumer price index (CPI) inflation softened to 4.6% in Fiscal 2025 from 5.4% in Fiscal 2024. CRISIL Intelligence expects India's CPI inflation to average 4% in Fiscal 2026.

CPI inflation of India – historical and future



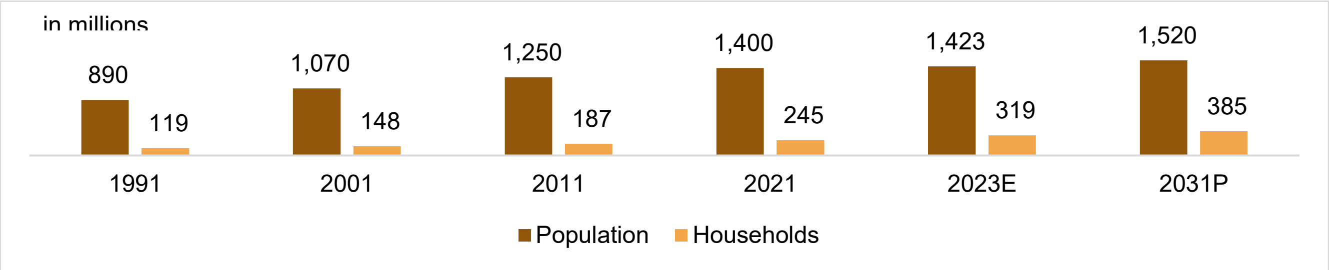
Note: figures mentioned are in %;
Source: Crisil Intelligence

Key demographic growth drivers

India has the world's largest population

As per Census 2011, India's population was approximately 1.3 billion and comprised nearly 187 million households. The population, which grew at nearly 1.5% CAGR between 2001 and 2011, is expected by CRISIL Intelligence to have increased at 1.1% CAGR between 2011 and 2021 and reached 1.4 billion. The population is expected to reach 1.5 billion by 2031 from 1.4 billion in 2021, and the number of households is expected to reach approximately 385 million in 2031 from 245 million in 2021, reporting a CAGR of 4.6% from Fiscal 2031.

India's population growth trajectory

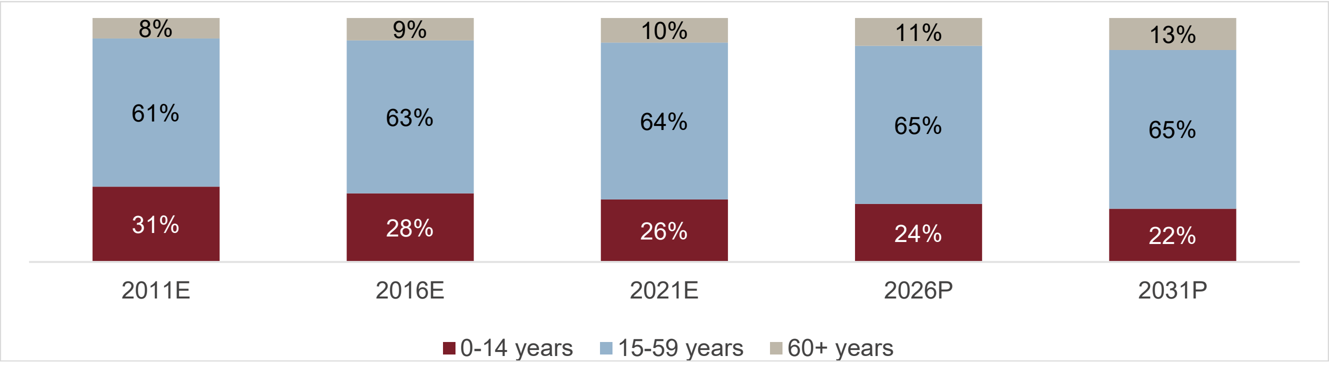


Note: As at the end of each Fiscal. P: Projected,
Source: United Nations Department of Economic and Social Affairs, (https://population.un.org/wpp/), Census India, Crisil Intelligence

Favourable demographics to propel India's growth

India has one of the world's largest youth populations, with a median age of approximately 28 years. About 90% of Indians are below 60 years of age. In 2021, it was estimated that India had the highest share of young working population (15 to 30 years) compared to major developed and developing countries with the share of 26%. CRISIL Intelligence expects that the large share of the working population, coupled with rapid urbanization and rising affluence, will propel growth in the economy.

India's demographic division (share of different age groups in population)



Note: P – Projected, E – Estimates
Source: Census of India 2011, Ministry of Health and Family Welfare, Crisil Intelligence

India has the highest young population (15 to 30 years) with 375 million individuals, among the major economies (CY2021, Population in Million)

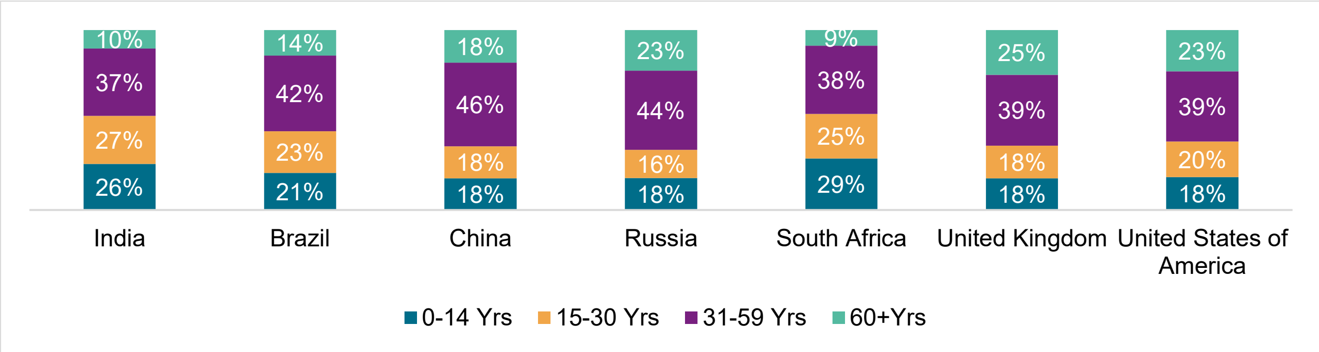
Age-wise split of Population

Figures in millions

Country	0 to 14 Yrs	15 to 30 Yrs	31 to 59 Yrs	60+ Yrs
India	361.6	375.3	524.8	145.8
Brazil	44.0	50.0	89.9	30.5
China	251.9	253.5	662.7	257.7
Russia	25.7	22.7	63.9	32.8
South Africa	17.0	14.7	22.5	5.2
United Kingdom	11.9	12.2	26.5	16.7
United States of America	61.5	67.0	131.0	77.5

Source: Census 2011, World Urbanization Prospects: The 2018 Revision (UN)

Age-wise split of Population (%) in a few key countries across the world



Source: Census 2011, World Urbanization Prospects: The 2018 Revision (UN)

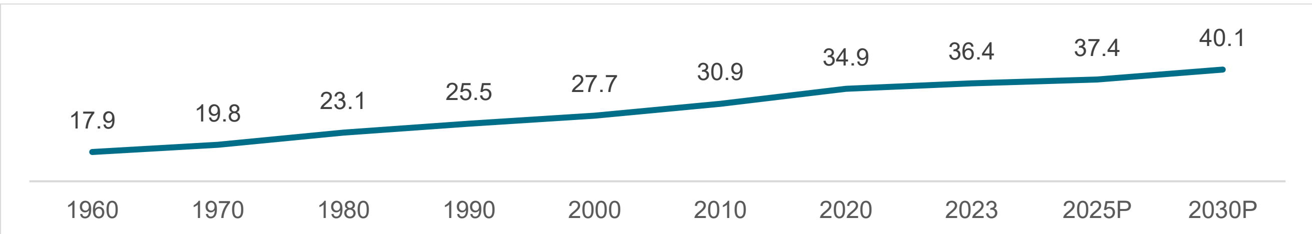
Young India driving credit demand in personal loans segment; NBFCs and Fintechs lead the way in tapping this segment

There is strong credit demand from young people in the age group below 35 for personal loans and customer discretionary segment. According to CAFRAL's India Finance Report 2023, NBFCs and Fintechs are primarily serving this segment (under 35 age group). They accounted for approximately 70% of the overall retail lending to this segment. The large-scale increase in smartphone usage, particularly among urban youth, led Fintechs to focus specifically on this class of borrowers.

Rising Urbanization

Urbanization is one of India's most important economic growth drivers. It is expected to drive substantial investments in infrastructure development, which in turn is expected to create jobs, develop modern consumer services, and increase the ability to mobilize savings. India's urban population has been rising consistently over the decades. As per the 2018 revision of World Urbanization Prospects, the urban population of India stands at approximately 36% of India's total population in 2023. According to the World Urbanization Prospects, the percentage of the population residing in urban areas in India is projected to increase to approximately 40% by 2030.

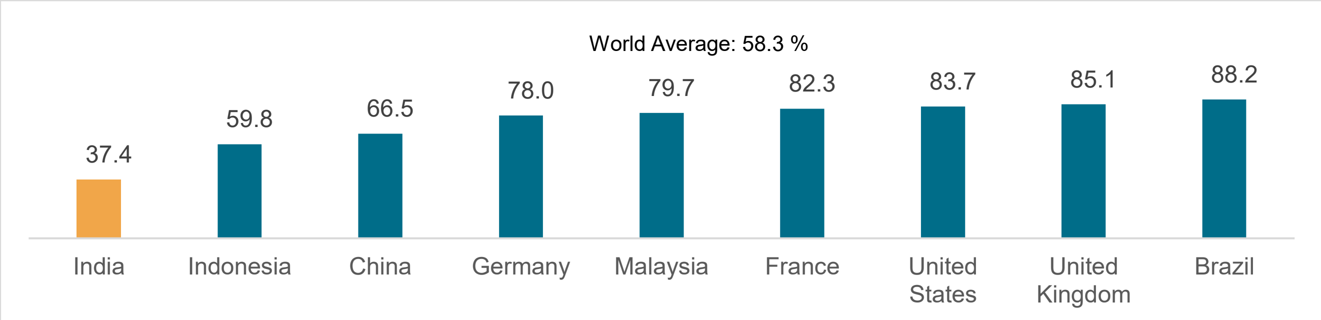
Urban population as a percentage of total population (%)



Note: E- Estimated, P – Projected, Figures in percentage
Source: Census 2011, World Urbanization Prospects: The 2018 Revision (UN)

As per RBI's December 2024 Banking trends and progress report, the metropolitan region continued to be the biggest contributor for credit growth (approximately 59%) in 2023 to 2024. The contribution of rural, semi-urban, and urban areas remained steady.

Urban population as a percentage of total population (%) (CY 2025P) across major Economies



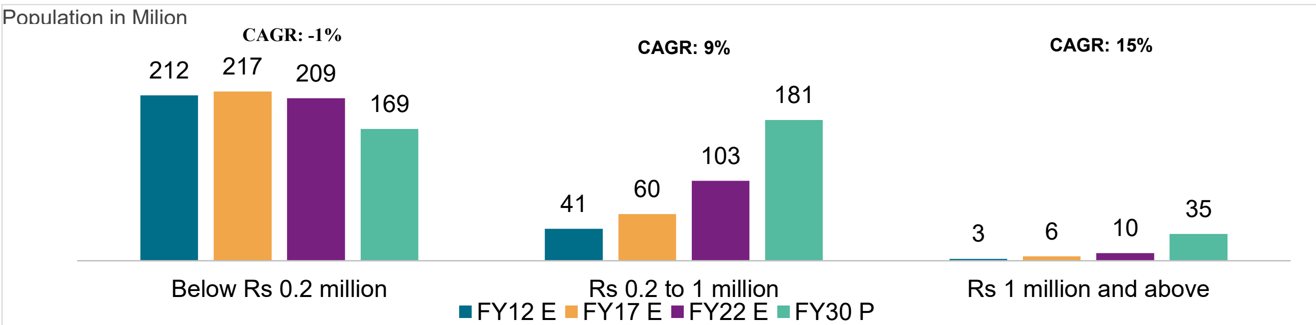
Source: United Nations World Urbanization Prospects: The 2018 Revision (UN)

Rising Middle India population to help sustain economic and credit growth

The proportion of "Middle India" (defined as households with annual income of ₹ 0.2 to 1.0 million) has been on the rise over the past decade and is expected to continue increasing with rising GDP and household incomes. CRISIL Intelligence estimates there were 103 million middle-income households in India in Fiscal 2022 and by Fiscal 2030, expects it to increase to 181 million households. Many households that have entered the middle-income bracket in the past few years are likely to be from semi-urban and rural areas. As per NSS 76th round (2018), 83.3% of households were living in pucca dwelling units compared to 74.6% as per 69th NSS round (2012).

The backbone of India's economy, MSMEs, significantly contribute to the country's growth, accounting for approximately 29% of the GDP, 45% of manufacturing output, and providing employment opportunities to a substantial approximately 110 Million people. The growth of MSMEs is crucial in generating employment opportunities for the Indian population. CRISIL Intelligence believes that improvement in literacy levels, increasing access to information and awareness, increase in the availability of necessities and improvement in road infrastructure have increased the aspirations of Middle India, which is likely to translate into increased demand for financial products and opportunities for providers of financial services providers.

Projected CAGR across various earning categories of population



Note: E: Estimated, P: Projected; Source: Crisil Intelligence

Rural sector supporting India growth story

India's rural segment has been a key driver of the country's consumption growth story in recent years. In the past decade, the rural segment in India has expanded at a rapid pace, driven by factors, such as rising disposable income, urbanisation, and the proliferation of e-commerce.

The government aims to fuel rural growth through decentralised planning, better access to credit, skilling of youth, enhanced livelihood opportunities, empowerment of women, social security net provision, basic housing, education, health and sanitation facilities, etc. Some of the key initiatives taken by the government (as per the Economic Survey 2024 to 2025) in this direction are highlighted below:

Livelihood and skill development

- The Deendayal Antyodaya Yojana-National Rural Livelihood Mission (DAY-NRLM) aims to enable economically weak households to access gainful self-employment and skilled wage employment opportunities. It achieved significant progress since its inception in 2011 - mobilizing 0.1 Billion rural poor households into self-help groups, providing ₹ 492.84 Billion in capitalization support, and facilitating ₹ 9,850 Billion in bank credit. It also established 36,205 custom hiring centers, approximately 0.3 million enterprises, and connected remote villages with 2297 vehicles, benefiting approximately 43 Million Mahila Kisan.

- Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), under which cumulative no. of registered workers was 256.8 million in Fiscal 2024 and as of 29th November 2024 it stands at 251.7 million. In Fiscal 2024 a total of approximately 3.1 Billion person-days have been generated under the Scheme.

Women empowerment

- The Female Labour Force Participation Rate (FLFPR) in India rose significantly, from 23.3% in 2017 to 2018 to 41.7% in 2023 to 2024, driven mainly by increasing participation of rural women. Currently, 21 states have a FLFPR between 30% to 40%, and 7 states/UTs have a FLFPR above 40%.

Housing for all

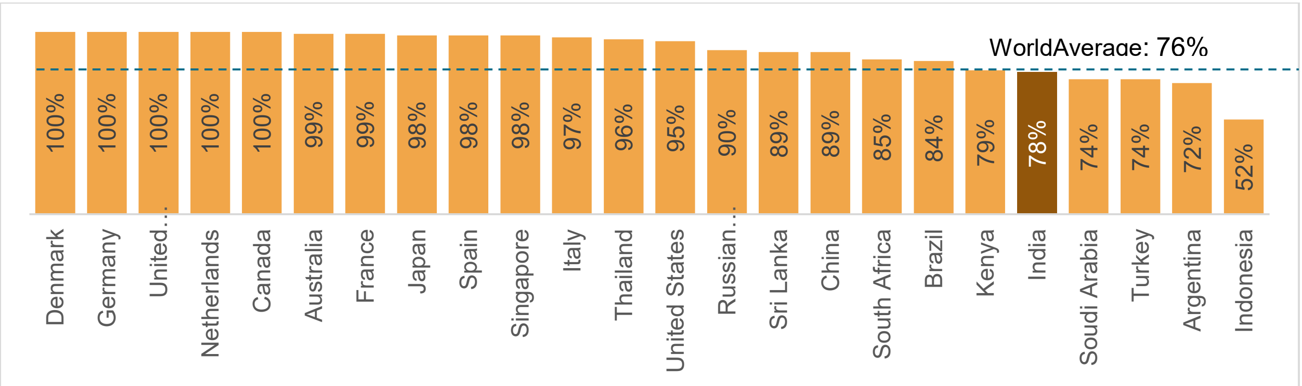
- The Pradhan Mantri Awas Yojana - Gramin (PMAY-G) aims to provide pucca houses to all houseless and vulnerable families in rural areas by 2029. Over approximately 27 Million houses have been completed since 2016, with 20 million more to be built in the next 5 years. The scheme has been extended to include more beneficiaries, with a focus on SC/ST households, women, and the differently abled, and has generated significant employment opportunities, with 74% of sanctioned houses owned by women. Other initiatives of the government are towards promoting smoke-free rural homes and rural infrastructure.

- Additionally, rural areas have significantly contributed to growth of e-commerce industry in India along with increased internet penetration, the proliferation of smartphones, and the convenience offered by online shopping. The share of rural borrowers in the microfinance segment reached a 10-year high of 74% in 2022 to 2023, according to the Economic Survey for Fiscal 2024. In the recent Union budget, Govt. also announced Grameen Credit Score, a credit scoring mechanism that can be leveraged to assess the credit needs of members of Self-Help Groups (SHGs) and people in rural areas.

Financial Inclusion on a fast path in India which will aid long term growth for financial institutions

According to the World Bank's Global Findex Database 2021, the global average percentage of adult population with an account opened with a bank, financial institution or mobile money provider, was approximately 76% in Calendar Year 2021. India's financial inclusion has improved significantly over Calendar Years 2014 to 2021 as adult population with bank accounts increased from 53% to 78% (Source: Global Findex Database) This remarkable progress can be attributed to the Indian government's concerted efforts to promote financial inclusion through a range of initiatives, including the launch of Jan Dhan Yojana, the proliferation of mobile banking and digital payments, and the implementation of government subsidies and benefits such as the Direct Benefit Transfer (DBT) scheme. Moreover, advancements in financial technology have also contributed to this significant improvement in financial inclusion.

Adult population with a bank account (%) as of CY2021: India vis-à-vis other countries



Notes: 1. Global Findex data for India excludes northeast states, remote islands and selected districts. 2. Account penetration is for the population within the age group of 15+, Source: World Bank – The Global Findex Database 2021, Crisil Intelligence

As per the Global Findex Database 2021, approximately 54% of the world's 740 million unbanked adults live in only seven countries (India, Bangladesh, China, Indonesia, Egypt, Nigeria and Pakistan), of which almost 31% (230 million) are in India. This shows an immense opportunity for furtherance of financial inclusion.

Financial penetration to rise with increase in awareness and access of financial products

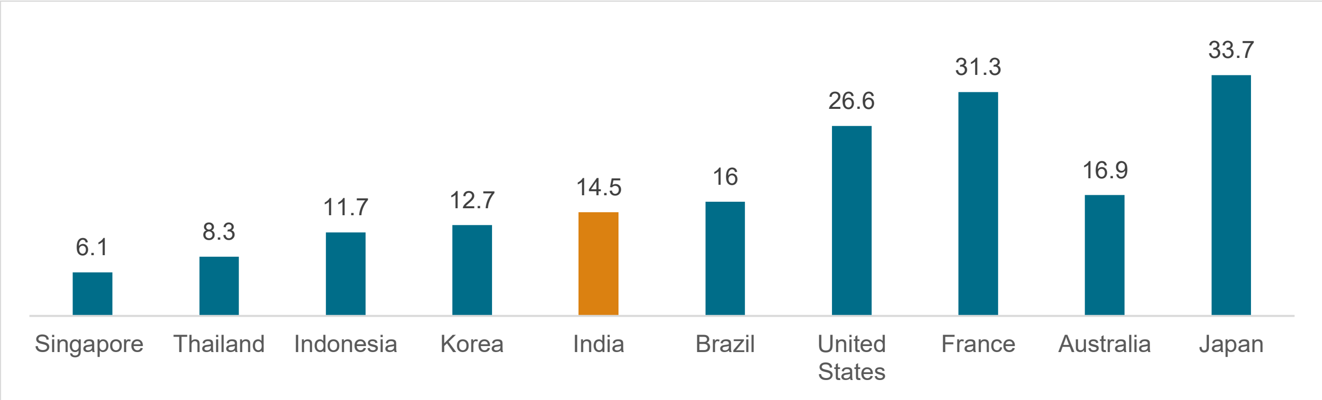
Overall literacy in India was at 77.7% as per the results of NSO survey conducted from July 2017 to June 2018, which is still below the world literacy rate of 86.5%. However, according to the National Financial Literacy and Inclusion Survey (NCFE-FLIS) 2019, only 27% of Indian population is financially literate indicating huge gap and potential for financial services industry. The survey defines financial literacy as a combination of awareness, knowledge, skill, attitude, and behavior necessary to make sound financial decisions and ultimately achieve individual financial wellbeing.

Government initiatives like Pradhan Mantri Jan Dhan Yojana, financial literacy programs, and continuous focus on financial inclusion have increased financial literacy, resulting in significant uptick in demand for financial products, particularly in smaller cities over the past few years. Going forward, Crisil Intelligence expects financial penetration to increase on account of increasing financial literacy.

Under-penetration of the Indian banking sector provides opportunities for growth

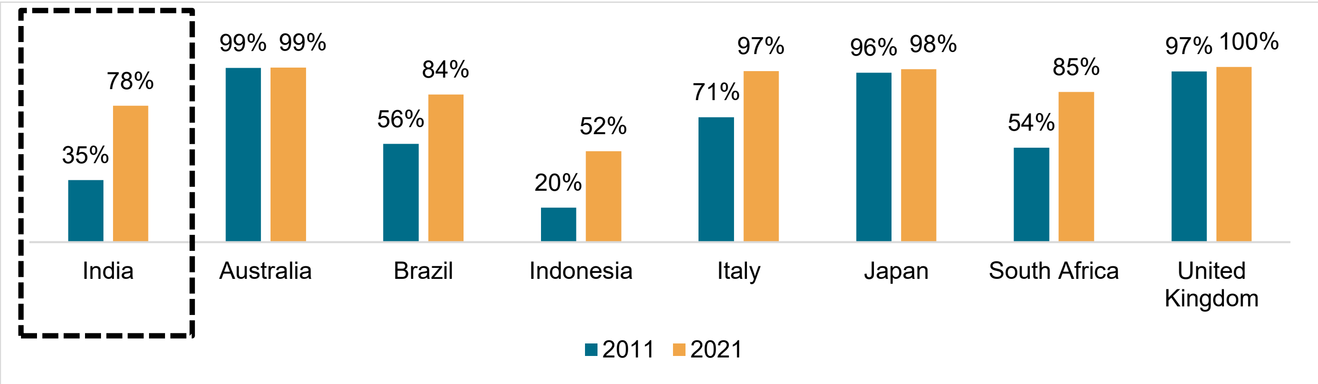
The Indian banking sector is significantly under-penetrated as observed in the current bank credit-to-GDP ratio of approximately 55% for India at the end of CY 2024. The number of commercial bank branches as well as ATMs in India per 100,000 people, contrast in comparison to other countries. This provides immense opportunities for banks and other financial institutions over the long term.

Number of Commercial Bank Branches per 100,000 Adults (CY2023)



Source: IMF: Financial Access Survey; CRISIL Intelligence

Percentage of population above 15 years having an account with a Bank/FI (CY 2011 and CY 2021)

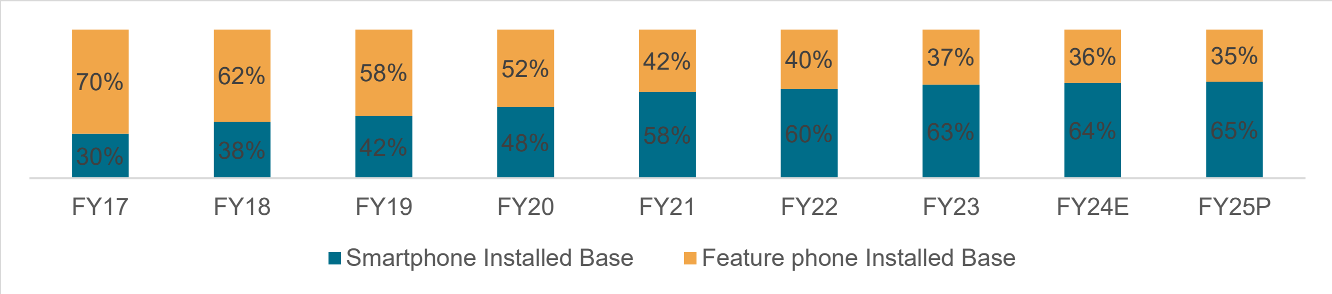


Source: IMF: Financial Access Survey; Crisil Intelligence

Digitization aided by technology to play pivotal role in the growth of economy

Technology is expected to play an important role by progressively reducing the cost of reaching out to smaller markets. India has seen a tremendous rise in fintech adoption in the past few years. Among many initiatives by the government, the Unified Payments Interface (UPI) is playing a pivotal role towards financial inclusion. It provides a single-click digital interface across all systems for smartphones linked to bank accounts and facilitates easy transactions using a simple authentication method. The volume of digital transactions has also seen a surge in the past few years, driven by increased adoption of UPI. Apart from the financial services industry, digitization in other industries like retail will also play an important role in the growth of the economy.

Trend in the usage of Smartphones over the years



Note: E: Estimated, P: Projected; Source: Crisil Intelligence

Banking and NBFC sectors analysis

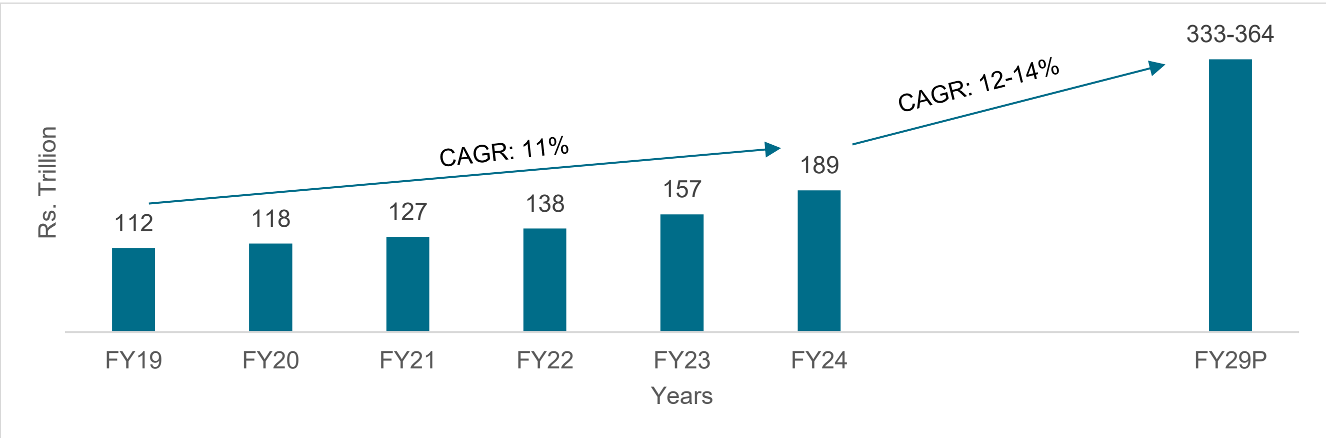
As of March 31, 2024, India's commercial banking sector consists of 12 Public sector banks (PSBs), 21 Private sector banks (PVBs), 45 foreign banks (FBs), 12 Small Finance Banks (SFBs), 6 Payments Banks (PBs), 43 Regional Rural Banks (RRBs), and 2 Local Area Banks (LABs) as per the latest RBI Banking Trends Report released in December 2024. Out of these 141 commercial banks, 137 were classified as scheduled banks, while four were non-scheduled commercial banks.

Similarly, NBFCs (including HFCs) registered with Reserve Bank of India (RBI) are classified into top, upper, middle and base layers, based on their size, activity, and perceived riskiness. As on 31st December 2024, there are 11 Upper layer, 569 Middle layer, and 8711 base layer NBFCs registered with the RBI. Furthermore, there were 27 Asset Reconstruction Companies (ARCs) registered with the RBI as on December 31, 2024.

Credit Growth Trends in India

The systemic credit (considering lending by banks and NBFCs only) in India grew at a 5-year CAGR of approximately 11% during Fiscal 2019 to Fiscal 2024. Corporate credit is a critical component in systemic credit as it accounts for nearly two-thirds of systemic credit. However, its growth over the last 5 years (during Fiscal 2024) has been modest at approximately 8% CAGR. On the other hand, Retail credit recorded a strong growth of 19% CAGR during this period aided by robust demand across retail loan products. Going ahead, CRISIL Intelligence projects systemic credit to grow at 12% to 14% CAGR between Fiscal 2024 and Fiscal 2029.

Growth Trend in Systemic Credit over the years

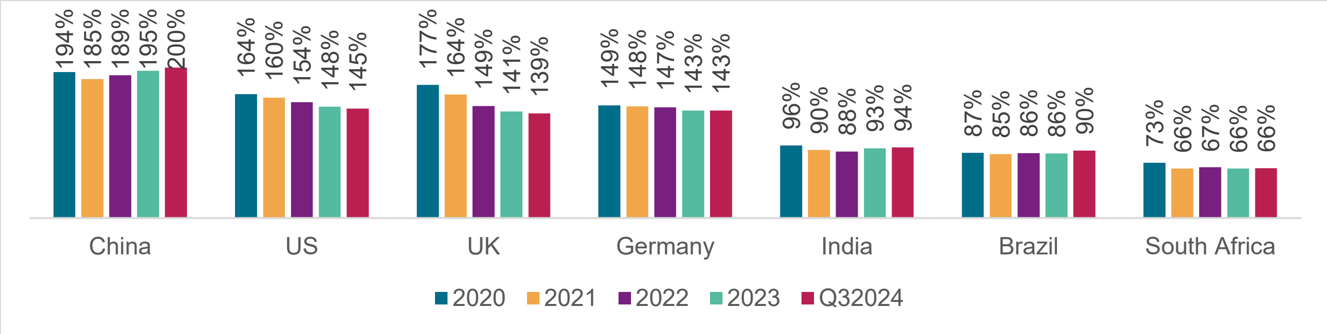


Note: E: Estimated, P: Projected; considered domestic banking credit (after deduction of bank lending to NBFC) and NBFC credit as systemic credit
Source: RBI, company reports, Crisil Intelligence

India's modest credit to GDP to offer strong runway for credit growth

Overall credit to GDP ratio in India stood at 94% as of Q3CY24, which was significantly lower as compared to 139% for United Kingdom, 145% for United States and 200% for China, signaling significant room for credit penetration in the nation.

Trend in Credit to GDP ratio (CY20-Q3CY24)



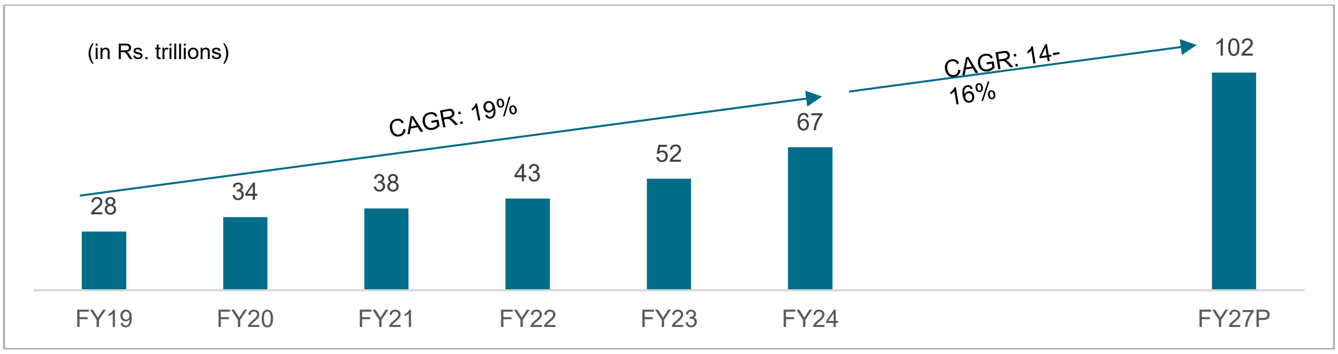
Note: Q3CY24 as of Sep 2024; Here Credit refers to total credit to the private non-financial sector
Source: Bank of International Settlements, Crisil Intelligence

Retail credit growth is projected to grow on a strong footing, expected to witness a CAGR of 14% to 16% between Fiscal 2024 and Fiscal 2027

The Retail credit[1] in India stood at ₹ 67 trillion, as of March 31, 2024, and grew at a CAGR of approximately 19% between Fiscal 2019 and Fiscal 2024. Retail credit growth was driven by strong demand for housing and auto loans, as well as a significant increase in credit cards and personal loans, reflecting a rise in consumer spending and borrowing activity.

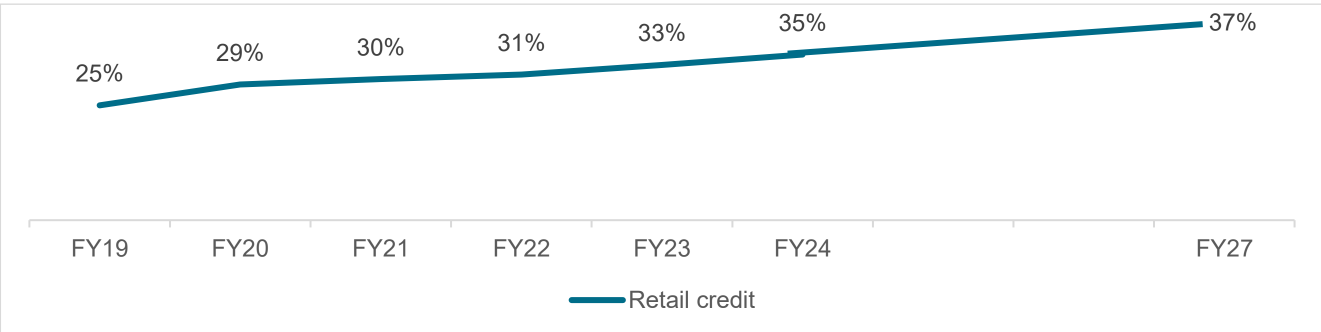
Retail credit is expected to maintain a significant growth rate of 14% to 16% between Fiscal 2024 and Fiscal 2027. Moreover, the increasing demand and positive sentiments in the Indian retail credit market, presents an opportunity for both banks and NBFCs.

Growth Trend in Retail Credit over the years



Note: E: Estimated, P: Projected; We have considered Personal loans (under SCBs) and Retail Loans (under NBFCs) together as Retail Credit
Source: RBI, Crisil Intelligence

Share of Retail credit (as a %) in Systemic Credit



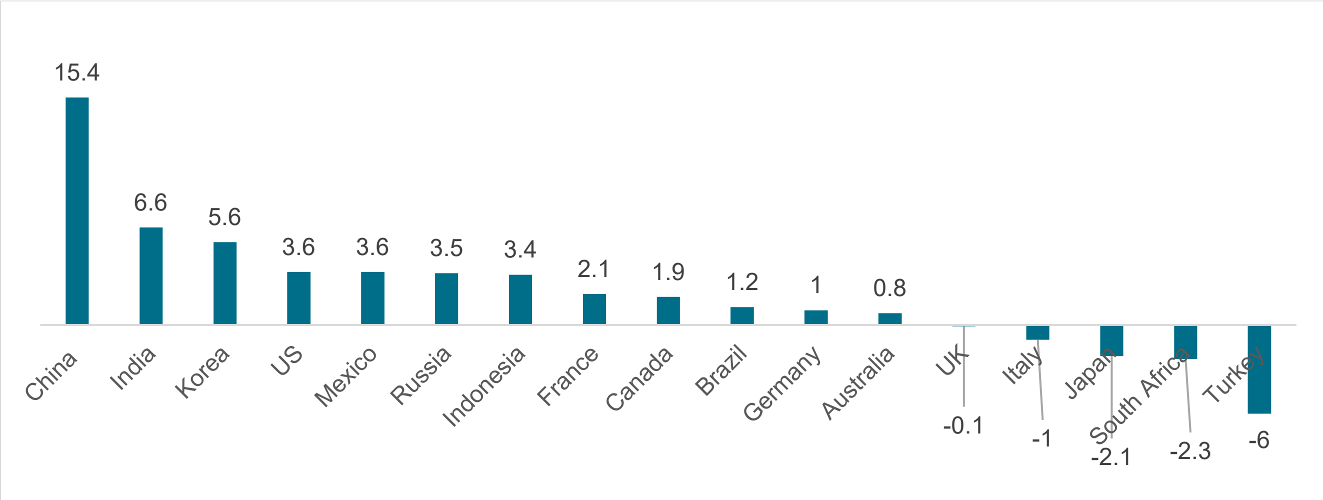
Note: The above percentages are calculated on total systemic credit
Source: Crisil Intelligence

[1] including asset classes such as Housing finance, Vehicle Financing, Gold Loans, Education Loans, Consumer Durables, Personal loans, credit cards and microfinance

India's Household credit growth is second highest (in terms of U.S.$) amongst large economies over the last 10 years

A country's household credit growth can be considered as a proxy of its retail credit growth. India's household credit growth in U.S.$ terms (during Fiscal 2014 to 2024) is the second highest amongst major G20 economies (please refer the table below). The improved regulations, easing financial conditions and a diverse credit market have contributed to household credit growth for India.

Growth in Household Credit during Fiscal 2014 to Fiscal 2024 in various countries



Note: Figures are in %; Credit from all sectors (from banks and other financial institutions) to Households & NPISHs
Source: BIS, Bank of Baroda Research

However, a significant retail credit gap still exists in India, as compared to other nations offering strong potential for growth. This is evident by India's household credit to GDP ratio of approximately 42% as of CY24 (Q3), as compared to 60%, 71% and 77% for China, United States and United Kingdom respectively.

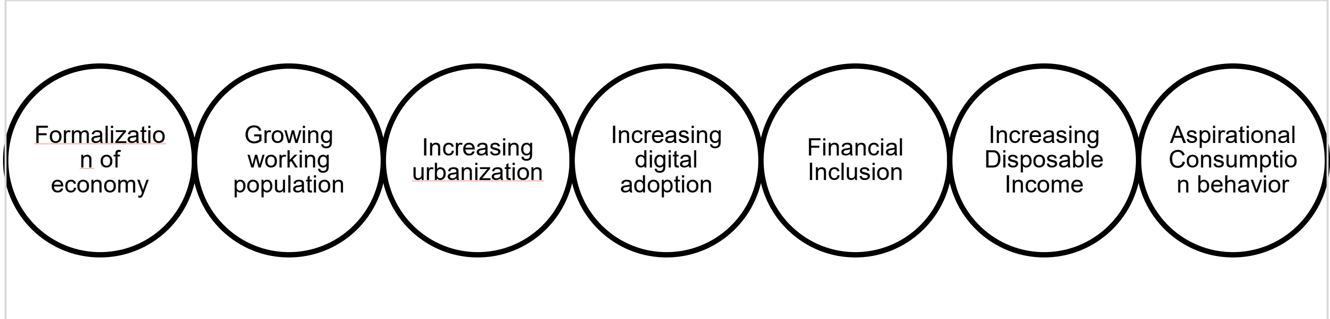
Household credit to GDP ratio of India and peer countries (CY20-Q3CY24)

Note: Q3CY24 as of Sep 2024.
Source: Bank of International Settlements, Crisil Intelligence

Although India's household credit grew by 6.6% during the period from Fiscal 2014 to 2024 (Retail credit grew by approximately 19% during Fiscal 2019 to 2024), the household credit to GDP ratio remained at a relatively lower figure of 42%. This is primarily because India recorded a GDP growth in the range of 6% to 7% over the past few years.

The significant growth under retail credit in the recent years was based on the factors below:

Factors supporting retail credit growth



The growth in retail loans has been driven by several factors, including digital disbursements with smaller ticket sizes, customized product offerings, increased adoption of digital platforms, rising use of credit cards for consumption and e-commerce activities, increased consumer spending and heightened lifestyle needs fueled by easy access to personal loans.

Digital Adoption is one of the most crucial drivers that can increase credit penetration through Digital Lending

The increasing adoption of digital technologies is a key driver of the growth of digital lending. By Fiscal 2025, the number of 5G subscribers is expected to surge to 270 to 280 million, according to Crisil Intelligence, as data consumption rises exponentially due to the widespread use of digital services such as OTT platforms, online education, digital banking, telemedicine, and online gaming. This rapid expansion of digital infrastructure is likely to further accelerate the penetration and adoption of digital lending in the country.

The Role of Digital Lending in Shaping the Future of Retail Credit

The integration of digital technologies has revolutionized the operations of Banks/Financial Institutions (FIs), enabling them to transcend traditional boundaries and expand their lending services to a broader and more diverse clientele. By leveraging digital innovation, Banks/FIs can now effectively cater to underserved borrowers, including those with limited credit histories, inadequate documentation, or restricted access to financial services due to geographical constraints. This digital transformation has created new avenues for Banks/FIs to address the unique needs of Micro, Small, and Medium Enterprises (MSMEs) and individual customers in particular, utilizing alternative data sources and digital channels to facilitate more inclusive and accessible lending practices. Consequently, the proliferation of digital lending has been a key facilitator of growth in retail credit, as it has enabled Banks/FIs to reach a wider audience, streamline their lending processes, and provide more tailored financial solutions. Technology integration through AI-driven risk assessment for approving small ticket retail loans to a wide range of customers has also reduced the time involved for disbursal of retail loans, resulting in a larger disbursement of credit.

Ultimately, the advent of digital lending has played a pivotal role in driving the expansion of retail credit, and its continued evolution is likely to remain a crucial factor in shaping the future of the financial services landscape.

Stressed Assets in Indian Credit System

Process of Classification of Asset into NPA, as per guidelines

Banks/FIs use the Special Mention Account (SMA) classification to identify loan accounts showing early signs of stress and potential risk of becoming Non-Performing Assets (NPAs). This categorization serves as an early warning signal in the loan monitoring process, enabling proactive monitoring, and addressing potential credit risks.

An account is flagged as "overdue" and classified as an SMA when full payment is not received by the due date. For example, if a housing loan EMI is due on March 31, 2025, and payment is not received before the bank's day-end process, the account will be considered overdue and classified as an SMA from March 31, 2025.

The SMA classification allows banks to take corrective actions early, mitigating potential risks and preventing accounts from becoming NPAs. SMA classification is done in the following way in a general loan (non-agriculture):

SMA Subcategories	Basis for classification – Principal or interest payment or any other amount wholly or partly overdue between
SMA-0	Up to 30 days
SMA-1	More than 30 days and up to 60 days
SMA-2	More than 60 days and up to 90 days

As mentioned earlier, an account classified as SMA is subject to a gradual escalation process. If the borrower fails to clear the overdue amount, the account will be tagged as SMA-0 until the end of the next month (April 30, 2025, in this case). If the account remains overdue, it will be classified as SMA-1 upon completion of 30 days of continuous overdue (April 30, 2025), SMA-2 upon completion of 60 days (May 30, 2025), and so on.

If the account continues to remain overdue beyond 90 days, it will be classified as a Non-Performing Asset (NPA) upon running the day-end process on June 29, 2025. This classification applies to non-agricultural loans, where the interest or principal remains overdue for more than 90 days. For agricultural loans, the classification criteria vary depending on the crop season: loans for long-duration crops (> 1 year) are classified as NPA if overdue for one crop season, while loans for short-duration crops (≤ 1 year) are classified as NPA if overdue for two crop seasons.

The classification of borrower accounts as NPAs is performed daily, with the classification date being the calendar date on which the process is run. SMA classification, however, is only applied to non-agricultural loans, including retail loans, regardless of the loan amount. An account classified as an NPA can be upgraded to a 'standard asset' only after the borrower has paid all outstanding interest and principal amounts in full, at which point the account will move back to the Standard category with a Days Past Due (DPD) count of '0'.

Categories of NPA

Banks/FIs are required to classify non-performing assets further into the following three categories based on the period for which the asset has remained non-performing:

- **Substandard Assets**: A non-performing asset is classified as ‘substandard’ if it remains NPA for a period less than or equal to 12 months from the date on which it was first classified as an NPA. In the previous example, the asset gets classified as NPA first on 29th June 2025. It will be treated as a ‘substandard asset’ till 28th June 2026 in case the account remains NPA till that period. Such an asset will have well defined credit weaknesses that will affect the realization of debt provided by the Bank/FI. There is a possibility that a Bank/FI will sustain some losses if the deficiencies in these assets are not corrected.

- **Doubtful Assets**: An asset would be classified as ‘doubtful’ if it has remained in the substandard category for a period of 12 months. If we consider the earlier example, if the account remains NPA beyond 28th June 2026, the account is classified as ‘doubtful’ from 29th June 2026. In respect of a doubtful asset, the chances of recovery (full or partial) become relatively more questionable and improbable compared to a sub-standard asset.

- **Loss Assets**: A loss asset refers to a non-performing asset where a loss has been recognized by the Bank/FI, internal or external auditors, the Co-operation Department, or the Reserve Bank of India during an inspection. Although the loss has been identified, the asset has not been fully or partially written off. Essentially, a loss asset is considered to have very low salvage or recovery value.

Provisioning Norms

Depending on the classification of an asset (including assets classified as ‘standard’), Banks/FIs must make adequate provisions to account for any possible reduction in the value of loan assets, based on the asset category, as under:

Standard assets:

Farm Credit to agricultural activities, individual housing loans and Small and Micro Enterprises (SMEs) sectors	0.25%
Advances to Commercial Real Estate (CRE) Sector	1.00%
Advances to Commercial Real Estate – Residential Housing Sector	0.75%
All other loans and advances (excluding the above categories, restructured loans, housing loans given at teaser rates)	0.40%

Note: In respect of NBFCs, the above rates are applicable for NBFC-UL only. NBFC-BL and NBFC-ML shall make provisions for standard assets at 0.25% and 0.4% of the outstanding respectively.
Source: RBI reports and circulars

The provision made by Banks/FIs in respect of NPAs is higher and made as per the prudential guidelines stipulated by RBI. The provisions made in respect of non-performing assets vary based on their classification considering the time since an account becomes NPA, realization potential of the underlying security and the erosion over time in the value of security charged to the Bank/FI. Provisions are made in respect of different categories of NPAs as given below:

Substandard Assets:

Banks	NBFC
15% on total outstanding	10% on total outstanding

Source: RBI Prudential Norms, 2025

Doubtful assets: Unsecured portion of a loan must be completely (100%) provided for. In respect of the secured portion, provision must be made in the following way based on the period for which the asset has remained doubtful:

Period for which the advance has remained in 'doubtful' category	Provisioning requirements (%) of Banks	Provisioning requirements (%) of NBFCs
Up to one year	25%	20%
One to three years	40%	30%
More than three years	100%	50%

Note: The provisioning requirements given above apply to every NBFC (except microfinance loans of NBFC-MFIs)
Source: RBI Prudential norms, 2025

Loss assets: Loss assets should be written off completely from the books of a Bank/FI. If they are permitted to remain in books for any reason, 100% of the outstanding should be provided for.

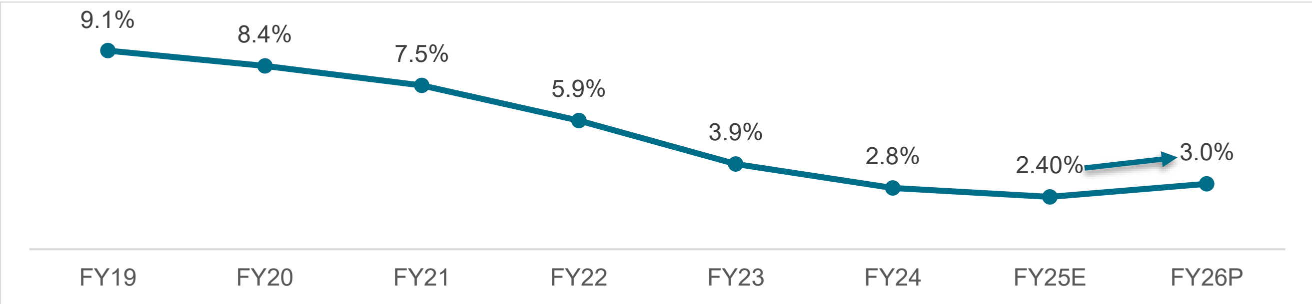
Trend in Asset Quality for Banks and NBFCs

Declining GNPAs, High Write-Offs: A 5-Year Trend for Scheduled Commercial Banks

The Indian economy has witnessed a notable improvement in the financial health of companies over the past few Fiscal years. This upward trend is attributed to the concerted efforts of Indian banks to rectify their balance sheets, coupled with enhanced collection efficiency. As a result, GNPA ratio of Scheduled Commercial Banks (SCBs) has consistently declined since 2020. As of March 31, 2024, the GNPA ratio stood at 2.8%, indicating a significant reduction in stressed assets.

Over the last few years, the asset quality of Scheduled commercial banks has improved due to certain key factors such as strengthened risk management and underwriting practices that led to higher preferences for borrowers with better credit profiles. CRISIL Intelligence expects GNPA ratio to improve further to 2.4% as of March 31, 2025. As per results of the stress tests conducted by RBI to evaluate the financial strength of SCBs, the GNPA levels of SCBs are expected to rise to at least 3% by Fiscal 2026 (discussed in more detail in one of the later subsections).

Trend of GNPA over the years (%)



Note: RBI projected the aggregate GNPA ratio of SCBs to increase to 3% in March 31, 2026 under the baseline scenario
Source: Financial Stability Reports of RBI, CRISIL Intelligence

Despite the decline in GNPA, the write-off amounts by SCBs have remained substantial, with cumulative write-offs totaling approximately Rs. 12 trillion during the period Fiscal 2019 to Fiscal 2024.

GNPA and Write-off over the years

(Amount ₹ in Billion)

Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024
GNPA of SCBs	9,336.1	8,960.8	8,350.5	7,424.0	5,718.5	4,807.0
1) Change in NPA -growth/(fall) compared to previous year	(1,025.8)	(375.3)	(610.3)	(926.5)	(1,705.5)	(911.5)
2) Annual Write-offs of SCBs	2,362.7	2,341.7	2,027.8	1,749.7	2,091.4	1,702.7
Changes in GNPA + write-offs (1+2)	1,336.9	1,966.4	1,417.5	823.1	386.0	791.2

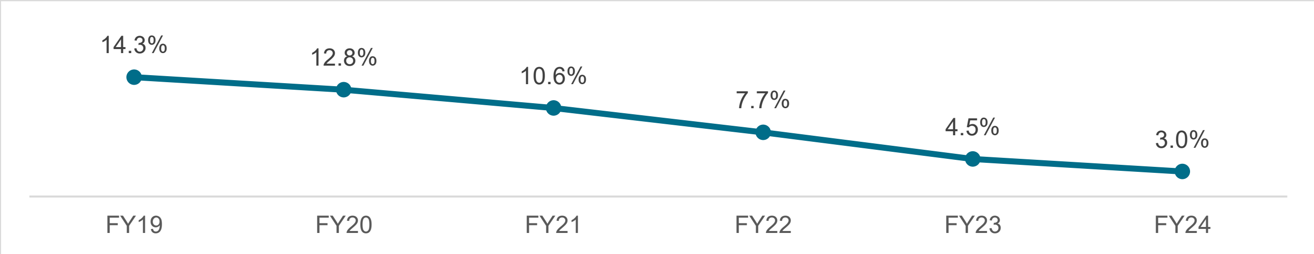
Note: Numbers are rounded off to nearest billion up to one decimal point.
Source: RBI, CRISIL intelligence

The average annual write-offs of approximately ₹ 2,000 Billion in the last 6 years also played a key role in reducing GNPA levels of the banks. Recovery numbers of banks also increased during this period due to improved business outlook for some of the key underlying sectors such as power, real estate, steel, etc. which were earlier under stress.

Lower corporate NPAs propel downward trend in SCBs' GNPAs

The GNPA levels of large borrowers (with aggregate exposure of ₹ 50 Million and above) in SCBs has significantly declined from 14.3% in Fiscal 2019 to 3% in Fiscal 2024.

Trend in GNPA levels of large borrowers (%)



Source: Financial Stability Reports of RBI, CRISIL Intelligence

(Amount ₹ in Billion)

Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024
GNPA of Large Borrowers (SCBs)	7,674.2	4,596.8	6,505.0	4,625.2	3,082.3	2,288.1

Note: Numbers are rounded off to nearest billion up to one decimal point; GNPA on Large Borrowers is calculated on Overall Gross NPA
Source: Financial Stability Reports and RBI, CRISIL Intelligence

The Reserve Bank of India (RBI) launched the Asset Quality Review (AQR) initiative in 2016, with the primary objective of cleaning the balance sheets of banks. This endeavor led to Public Sector Banks (PSBs) reporting substantial losses for three consecutive years, accompanied by a significant increase in GNPA levels after the AQR's implementation. Nevertheless, the AQR exercise yielded positive outcomes, including enhanced recognition of non-performing loans and elevated provisioning.

To mitigate the impact, the government also provided substantial capital support to PSBs since the inception of AQR in 2015. Concomitantly, the risk management and underwriting practices of banks underwent significant strengthening, which proved instrumental in controlling GNPA levels over the past few years. Notably, the corporate segment's NPA levels remained under control, even during the COVID-19 pandemic, underscoring the efficacy of the measures implemented.

The recovery efforts of banks received a considerable boost with the introduction of the Insolvency and Bankruptcy Code (IBC) in 2016, which played a pivotal role in reducing GNPA levels. As of 31st December 2024, creditors recovered approximately ₹ 3.6 Trillion since inception directly through the IBC. The IBC has not only facilitated recoveries but also created a deterrent effect, encouraging large borrowers to settle their debts before reaching the IBC. As of December 2024, over 30,000 cases were settled before their admission to the Insolvency and Bankruptcy Code (IBC), covering defaults worth approximately ₹ 13.8 Trillion since inception of the code, highlighting the effectiveness of the IBC in addressing corporate insolvency and promoting debt recovery.

With the continued implementation of IBC and improved banking practices, it is expected that corporate NPAs will continue to decline.

Fiscal 2026 Forecast: Overall GNPA levels of SCBs set to witness a calibrated rise in Fiscal 2026

RBI conducted a series of macro stress tests to evaluate the resilience of SCBs balance sheets in the face of unforeseen macroeconomic shocks. The tests aimed to assess the potential impact of various scenarios on the banking sector's asset quality. The stress test results indicate that the aggregate GNPA ratio of SCBs is likely to increase (by end of Fiscal 2026) under all three scenarios considered:

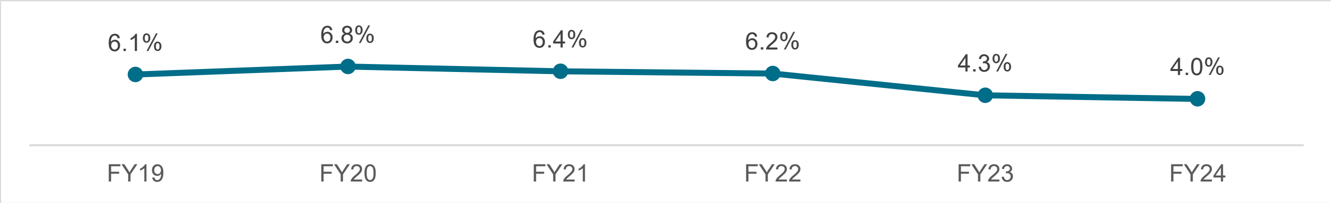
- **Baseline Scenario**: The GNPA ratio is projected to rise to 3%, assuming a stable macroeconomic environment.
- **Adverse Scenario 1**: The GNPA ratio is expected to increase to 5% due to persisting geopolitical risks and escalating global financial market volatility.
- **Adverse Scenario 2**: The GNPA is expected to rise further to 5.3% due to a sharp growth slowdown in key economies.

These projections suggest that the banking sector's asset quality is likely to deteriorate under various stress scenarios. This, in turn, may create opportunities for entities involved in managing distressed assets.

NBFCs' GNPAs: 5 Years of improvement, a likely deterioration ahead

Like the banking sector, NBFCs have also witnessed a decline in GNPA levels in Fiscal 2023 and 2024 due to the overall improvement in asset quality, better risk management etc.

Trend of GNPA Levels over the years (%)



Source: RBI financial stability reports, CRISIL Intelligence

GNPA of NBFCs over the last 5 years

Write-offs of NBFCs during Fiscal 2022 to Fiscal 2024

(Amount in ₹ Billion)

Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024
GNPA (NBFCs)	1,412.5	1,673.2	1,729.7	1,830.5	1,461.9	1,611.0

Note: GNPA absolute numbers are calculated by applying GNPA% on gross advances reported in RBI report; Numbers are rounded off to nearest billion up to one decimal point.
Source: RBI- Trends and Progress of Banking in India, Crisil Intelligence

Write-offs of NBFCs during Fiscal 2022 to Fiscal 2024

(Amount in ₹ Billion)

NBFC -Write off	Fiscal 2022	Fiscal 2023	Fiscal 2024
Retail	216.1	269.1	289.6
MSME – Individual segment	97.6	156.8	180.9
MSME – Commercial segment	190.9	177.2	177.0
Corporate	471.0	224.8	232.8
Total	975.6	827.9	880.3

Note: The above data is coming from Consumer bureau data (contains overall DPD/write-off status of loans given to individuals) and Commercial Bureau Data (contains overall DPD/write-off status of loans given to entities other than individuals) shared by Experian Credit bureau. Retail portfolio here includes Housing Loan, Vehicle Loans (Used car, Auto loans), Consumer loans, Credit cards, Student Loan and Personal Loans (includes short term personal loans); Here NBFCs include Housing Finance Companies (HFCs) as well; MSME segment (individual) here includes Business Loans (General), Business Loans (Secured), Business Loans (Unsecured), Commercial Vehicle Loans, Commercial Equipment Loans, Loans against Property (LAP); Commercial bureau data (<=₹ 50 crores loans exposure) is considered as MSME segment (commercial); Commercial bureau data (>₹ 50 crores loans exposure) is considered as corporate segment here;180+ DPD loans (commercial) were considered as written offs by bureau; Fiscals 2021 and 2025 Data is available only partially, hence the same have been excluded from analysis
Source: Experian Credit bureau, CRISIL Intelligence

GNPA expected to rise in non-government NBFCs

According to the Reserve Bank of India's (RBI) latest financial stability report, a comprehensive stress test was conducted on a sample of 162 non-banking financial companies (NBFCs), including Upper Layer and Middle Layer entities, which collectively had outstanding loans of around ₹ 25 Trillion as of September 2024. This sample represents approximately 95% of the total advances of non-Government NBFCs, making the results highly representative of the sector.

The stress test results indicate that the GNPA ratio of non-Government NBFCs is likely to increase under all three scenarios considered:

- **Baseline Scenario**: The GNPA ratio is expected to rise to 3.4% by the end of the projection period, up from 2.9% in September 2024, assuming a stable macroeconomic environment.

- **Medium-Risk Scenario**: The GNPA ratio is projected to increase to 4.7%, reflecting a moderate level of stress in the sector.

- **High-Risk Scenario**: The GNPA ratio is expected to rise to 6%, indicating a significant level of stress in the sector, driven by adverse economic conditions.

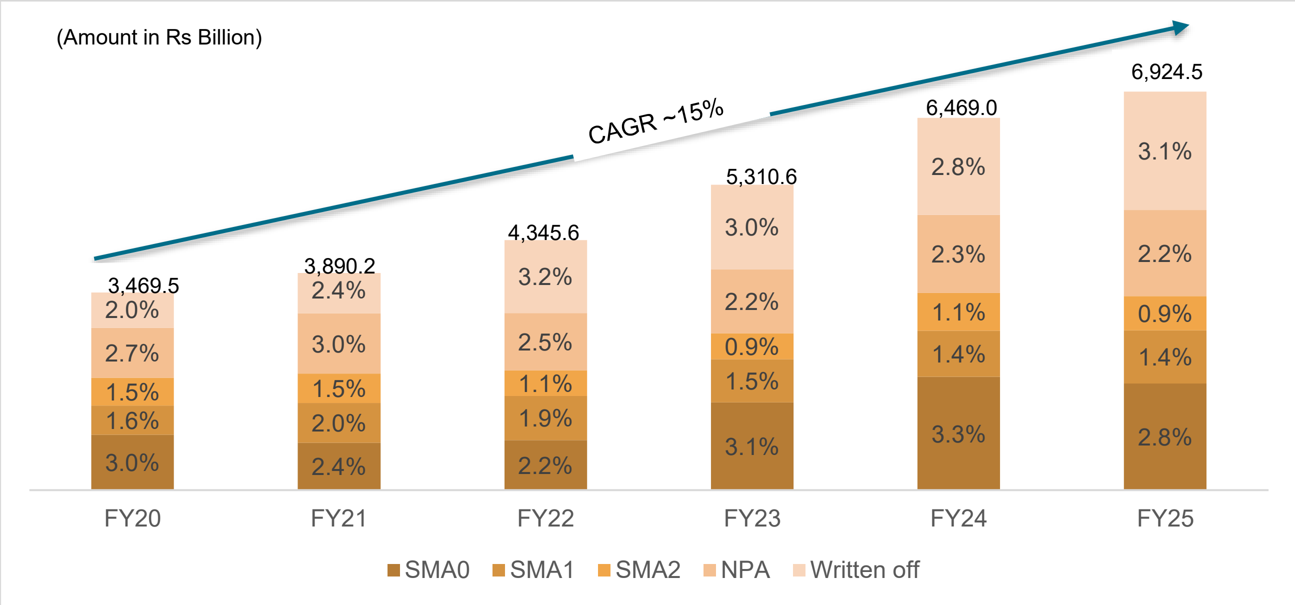
The projected uptick in GNPA ratios across all scenarios indicates that the NBFC sector is poised to witness an increase in its overall gross NPA percentage, potentially catalyzing a surge in the stressed assets market.

Trend of stressed assets in Banks and NBFCs under Retail Segment during Fiscal 2020 to Fiscal 2025

Loans are generally classified into 4 broad categories - Corporate, Retail, MSME, and Agriculture. For the purpose of analyzing stressed assets under Banks/FIs, the same categorization has been taken into consideration. However, agricultural loans have been excluded in this analysis.

The stressed assets (falling under SMA, NPA, written off categories) in the retail segment grew at approximately 15% CAGR during Fiscal 2020 to Fiscal 2025 due to various factors such as Covid-19 pandemic, rising delinquencies in unsecured segments, etc. The growth in Retail stressed assets for Banks and NBFCs was approximately 17% and approximately 11% CAGR respectively during this period.

Trend of overall Retail Stressed Assets over the years across Banks and NBFCs



Note: % is the share of each SMA 0, SMA1, SMA2, NPA and written off with respect to the total outstanding retail portfolio of that year. Retail portfolio here includes Housing Loan, Vehicle Loans (Used car, Auto loans), Consumer loans, Credit cards, Student Loan and Personal Loans (including short term personal loans); Here NBFCs include Housing Finance Companies (HFCs) as well; Small Finance Banks are not included in Banks.
Source: Consumer Bureau Data shared by Experian, CRISIL Intelligence

Consolidated Stress levels under Retail segment in Banks and NBFCs

(Amount in ₹ Billion)

Type of Stress	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	CAGR % (Fiscal 2020 to Fiscal 2025)
SMA0	964.8	822.8	870.3	1,526.4	1,968.2	1,853.5	13.9%
SMA1	506.7	691.0	766.7	747.2	803.4	922.9	12.7%
SMA2	483.0	510.5	447.0	452.6	657.5	596.2	4.3%
NPA	864.6	1,045.8	995.3	1,112.2	1,356.3	1,497.0	11.6%
Written off	650.4	819.9	1,266.3	1,472.1	1,683.6	2,054.8	25.9%
Total stress	3,469.5	3,890.2	4,345.6	5,310.6	6,469.0	6,924.5	14.8%
Total outstanding	32,329.4	34,319.1	39,357.7	49,598.1	59,174.1	66,965.6	15.7%

Note: Retail portfolio here includes Housing Loan, Vehicle Loans (Used car, Auto loans), Consumer loans, Credit cards, Student Loan and Personal Loans (includes short term personal loans); Here NBFCs include Housing Finance Companies (HFCs) as well; Small Finance Banks are not included in Banks.
Source: Consumer Bureau Data shared by Experian, CRISIL Intelligence

Overall outstanding under Retail segment (includes Housing loans, Vehicle loans, Consumer loans, Credit cards, educational loans, and Personal loans) has grown at a CAGR of 15.7% over the last 5 years from approximately ₹ 32 Trillion, as of March 31, 2020 to approximately ₹ 67 Trillion, as of March 31, 2025. Retail credit accounted for approximately 30% of the overall Credit in India as of March 31, 2024.

The overall NPA under Retail segment is approximately ₹ 1.5 Trillion as of March 31, 2025. Stress in the Retail segment has been increasing in the last few years mainly due to the unsecured lending segment. Overleveraging of unsecured loans (mainly by low-income borrowers) led to rapid growth of this segment. Many borrowers availing credit cards and personal loans also have another live retail loan outstanding, which are often high-ticket loans (i.e., housing and/or vehicle loan). When any loan account of a borrower in a Bank/FI becomes an NPA, all other loans (even if standard) of that borrower will also be classified as non-performing by that Bank/FI. So, larger, secured loans of a borrower can also face delinquency risks due to defaults in smaller personal loans. CRISIL Intelligence expects that Retail NPAs could witness some rise, primarily due to increasing NPAs under unsecured segments. Within NBFCs, CRISIL Intelligence also expects GNPA levels under vehicle loans to increase marginally to 3.8% to 4% by the end of March 31, 2026, from an estimated level of 3.8% during March 31, 2025.

Growing stress levels in Microfinance industry

The microfinance sector has been grappling with high delinquencies attributed to overleveraging and stress in rural household incomes in the recent past.

Microfinance Loans Outstanding in Fiscals 2023 and 2024

(Amount in ₹ Billion)

Lenders	Fiscal 2023	Fiscal 2024	Y-o-Y Growth %
NBFC – MFIs	1,396.3	1,632.8	16.9%
Banks	1,200.2	1,328.9	10.7%
NBFCs	296.6	436.2	47.0%
Small Finance Banks (SFBs)	584.3	678.7	16.2%
Non-Profit MFIs	37.8	8.5	-77.4%
Total	3,515.2	4,085.1	16.2%

Source: Microfinance in India 2024 report NABARD, CRISIL Intelligence

Stress levels in Microfinance Industry in Fiscals 2023 and 2024

Lenders	Fiscal 2023				Fiscal 2024			
	30+ DPD	60+DPD	90+DPD	180+DPD	30+ DPD	60+DPD	90+DPD	180+DPD
NBFC-MFIs	1.6%	1.3%	0.9%	7.6%	2.2%	1.7%	1.3%	5.1%
Banks	3.0%	2.5%	1.5%	12.5%	2.5%	1.9%	1.1%	10.8%
NBFCs	2.5%	1.8%	0.9%	10.3%	1.5%	1.1%	0.7%	4.0%
Small Finance Banks	1.0%	0.7%	0.4%	2.8%	2.9%	2.3%	1.3%	9.6%
Non-profit MFIs	1.6%	1.3%	1.0%	8.8%	4.0%	2.5%	1.8%	38.2%
Total	2.2%	1.7%	1.1%	9.4%	2.3%	1.8%	1.2%	7.7%

Source: Microfinance in India 2024 report of NABARD, CRISIL Intelligence

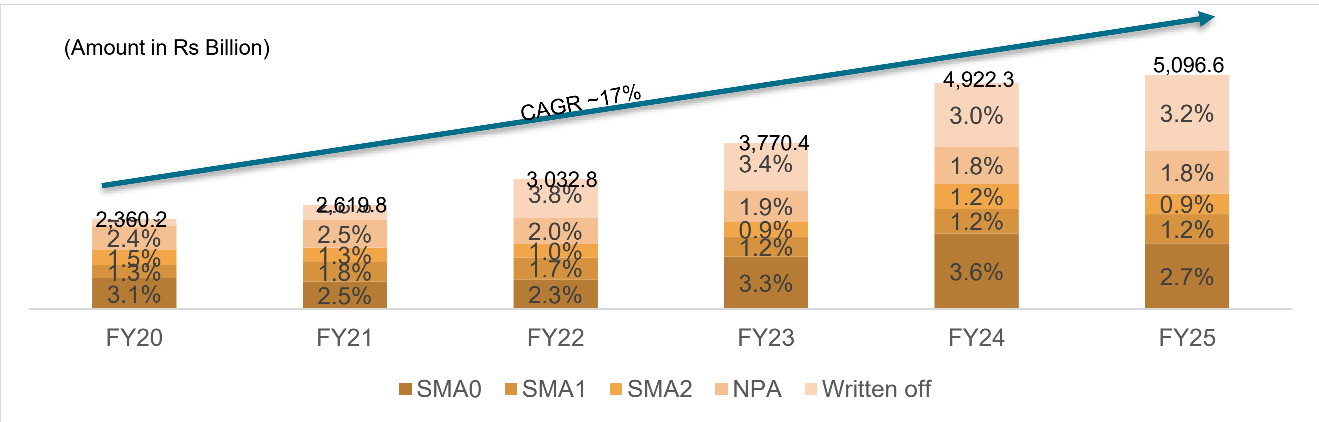
There were no significant differences in overall stress levels of the microfinance sector during Fiscal 2024. However, as per the recent Financial Stability Report of RBI, the share of stressed assets in the microfinance sector increased during April to September period of Fiscal 2025, with 31-180 DPD rising to 4.30% in September 2024 from 2.15% as of March 31, 2024. Borrowers who availed loans from multiple lenders with high credit exposure also continued to be high. As per the 3rd quarterly Microfinance report of Fiscal 2025 released by Sa-Dhan (RBI appointed Self-Regulatory organization for MFIs), trends of delinquencies indicate that 90+ DPD and 180+DPD of the industry increased to 3.2% and 11.0% respectively. This indicates the rising level of stress in this sector particularly during Fiscal 2025.

CRISIL Intelligence expects the AUM of this segment to decline during Fiscal 2025 after witnessing a growth of approximately 25% during Fiscal 2024. Microfinance asset quality has been impacted by different factors – over leveraged borrowers, debt waiver campaigns by certain states, and continued attrition of field staff in MFIs. In respect of asset quality, CRISIL Intelligence expects GNPA levels of this segment to have deteriorated to 6% to 7% in Fiscal 2025 from 2.4% in Fiscal 2024. However, GNPA levels are expected to improve slightly to 4% to 5% in Fiscal 2026.

Overall stressed assets in Banks under the Retail Segment increased in the last few years due to rising SMAs

Despite the general trend of improving asset quality, banks are seeing rising stress in their retail loan books. Rapid retail lending growth in recent years, particularly unsecured loans, has heightened medium-term risks for banks.

Trend of Retail Stressed Assets and Write-offs over the years across Banks



Note: % is the share of each SMA 0, SMA1, SMA2, NPA and written off with respect to the total outstanding retail portfolio of that year. Retail portfolio here includes Housing Loan, Vehicle Loans (Used car, Auto loans), Consumer loans, Credit cards, Student Loan and Personal Loans (Personal loan and short term personal loan); Small Finance Banks are not included in Banks.
Source: Consumer Bureau Data shared by Experian, CRISIL Intelligence

Stress levels under Retail segment across Banks

(Amount in ₹ Billion)

Type of Stress	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	CAGR % (Fiscal 2020 to Fiscal 2025)
SMA0	676.6	602.9	646.0	1,142.5	1,648.9	1,430.0	16.1%
SMA1	279.6	424.7	478.0	432.6	536.7	631.9	17.7%
SMA2	330.6	310.2	290.9	323.5	536.1	455.8	6.6%
NPA	532.8	601.8	567.7	668.8	806.6	919.9	11.5%
Written off	540.6	680.3	1050.3	1,203.0	1,394.0	1,659.1	25.1%
Total Stress	2,360.2	2,619.8	3,032.8	3,770.4	4,922.3	5,096.6	16.6%
Total Outstanding	21,878.6	24,009.2	27,770.3	35,083.7	45,989.8	52,379.6	19.1%

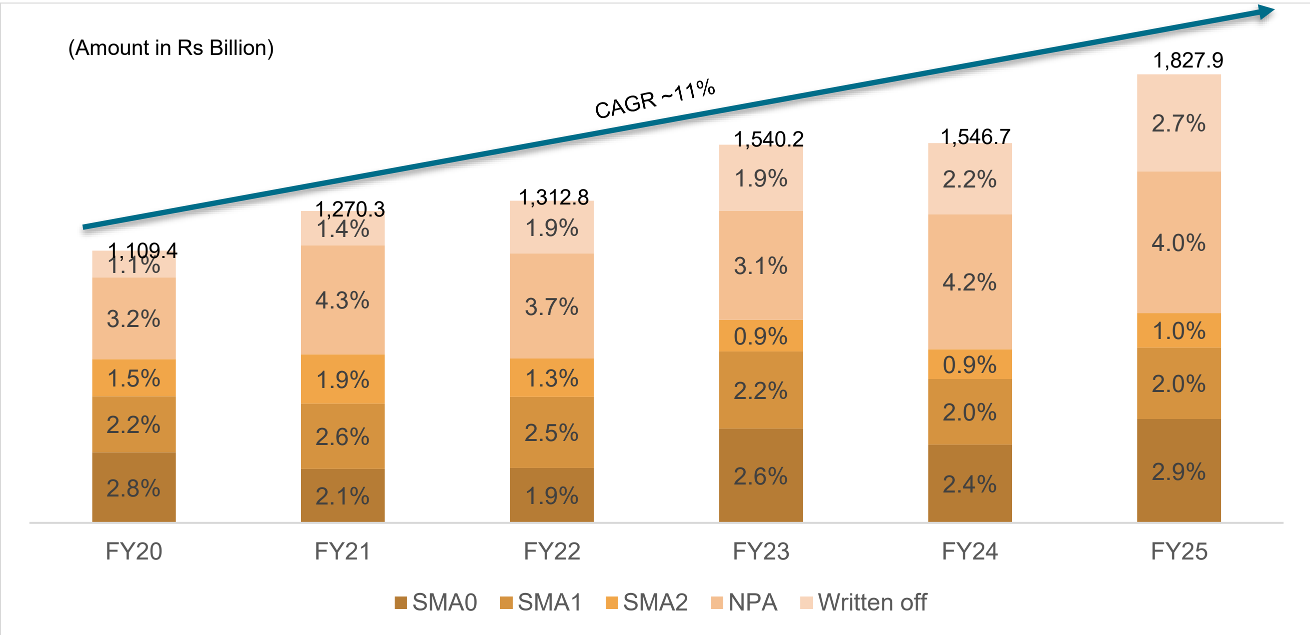
Note: Retail portfolio here includes Housing Loan, Vehicle Loans (Used car, Auto loans), Consumer loans, Credit cards, Student Loan and Personal Loans (includes short term personal loans); Small Finance Banks are not included in Banks.
Source: Consumer Bureau Data shared by Experian, CRISIL Intelligence

In respect of Scheduled Commercial Banks (excluding Small Finance Banks), overall stress under Retail segment (includes 6 segments – Housing loans, Vehicle loans, Consumer loans, Credit cards, educational loans, Personal loans) has grown at a CAGR of 16.6% over the last 5 years from approximately ₹ 2.4 Trillion, as of March 31, 2020 to approximately ₹ 5.1 Trillion, as of March 31, 2025. NPA under this segment has grown at a CAGR of 11.5% over the last 5 years from approximately ₹ 0.5 Trillion to approximately ₹ 0.9 Trillion.

NBFCs have also witnessed significant rise in stressed assets under Retail segment in the last few years

The stress under the retail segment of NBFCs in the last few years has been primarily driven by rising delinquencies in unsecured lending segment.

Trends of Retail Stressed Assets and Write-offs over the years across NBFCs



Note: % is the share of each SMA 0, SMA1, SMA2, NPA and written off with respect to the total outstanding retail portfolio of that year. Retail portfolio here includes Housing Loan, Vehicle Loans (Used car, Auto loans), Consumer loans, Credit cards, Student Loan and Personal Loans (includes short term personal loans); Here NBFCs include Housing Finance Companies (HFCs) as well.
Source: Consumer Bureau Data shared by Experian, CRISIL Intelligence

Stress levels under Retail segment across NBFCs

(Amount in ₹ Billion)

Type of Stress	Fiscal 20	Fiscal 21	Fiscal 22	Fiscal 23	Fiscal 24	Fiscal 25	CAGR % (Fiscal 20 to Fiscal 25)
SMA0	288.2	220.0	224.3	383.9	319.4	423.5	8.0%
SMA1	227.0	266.3	288.7	314.6	266.8	291.1	5.1%
SMA2	152.4	200.4	156.1	129.1	121.3	140.4	-1.6%
NPA	331.9	444.0	427.7	443.5	549.6	577.2	11.7%
Written off	109.8	139.6	216.1	269.1	289.6	395.7	29.2%
Total Stress	1,109.4	1,270.3	1,312.8	1,540.2	1,546.7	1,827.9	10.5%
Total Outstanding	10,450.8	10,309.9	11,587.3	14,514.4	13,184.4	14,586.0	6.9%

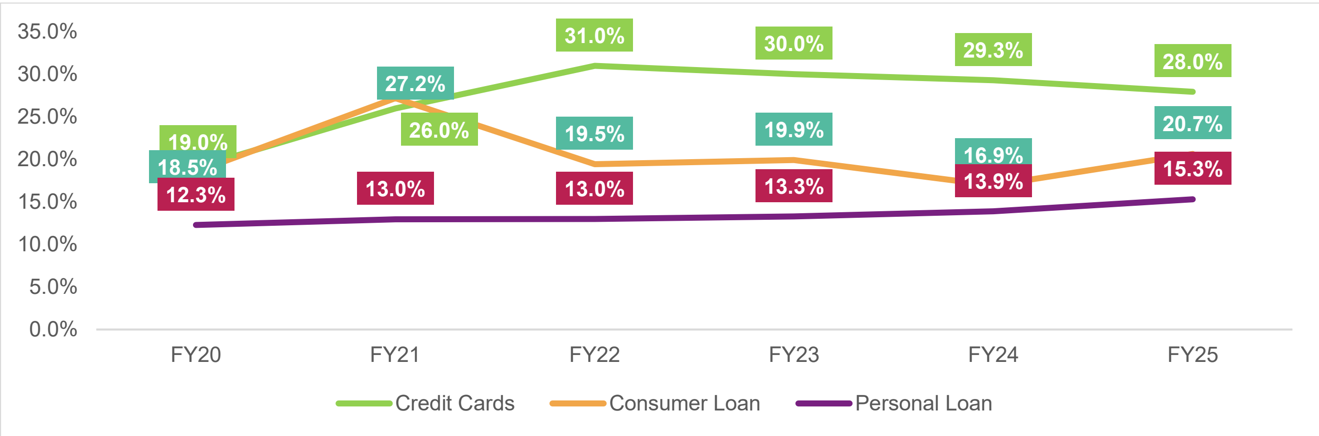
Note: Retail portfolio here includes Housing Loan, Vehicle Loans (Used car, Auto loans), Consumer loans, Credit cards, Student Loan and Personal Loans (includes short term personal loans); Here NBFCs include Housing Finance Companies (HFCs) as well; The dip in overall Retail figures during Fiscal 2024 is primarily because of the merger of a HFC (having AUM of approximately ₹ 6 lac crores) with a Bank
Source: Consumer Bureau Data shared by Experian, CRISIL Intelligence

In respect of NBFCs (including HFCs), overall stress under Retail segment (includes 6 segments – Housing loans, Vehicle loans, Consumer loans, Credit cards, educational loans, Personal loans) has grown at a CAGR of 10.5% over the last 5 years from approximately ₹ 1.1 Trillion, as of March 31, 2020 to approximately ₹ 1.8 Trillion, as of March 31,2025. NPA under this segment has grown at a CAGR of 11.7% over the last 5 years from approximately ₹ 0.3 Trillion to approximately ₹ 0.6 Trillion.

Banks and NBFCs are witnessing increasing stress levels across different sub-categories under Retail segment

The retail portfolio is dominated by four key categories – Housing, Personal Loans, Vehicle Loans and Credit Cards, which collectively account for a major share of the overall portfolio. Notably, the unsecured lending segment within the retail portfolio has been experiencing increasing stress as evident from the chart below which shows the recent spike in stress under personal loans segment.

Trend of Stressed assets (in select Retail categories) across Banks & NBFCs, over the years



Note: % is the sum of SMA0, SMA1, SMA2, NPA, Written off with respect to total outstanding of each category.
Source: Consumer Bureau Data shared by Experian, CRISIL Intelligence

A significant proportion of borrowers who have availed credit cards and personal loans also have outstanding high-ticket loans, such as housing and vehicle loans. In the event of a default on any loan, all other loans held by the borrower with the same bank, including standard loans, will be classified as non-performing. This means that even larger, secured loans can face delinquency risks due to defaults on smaller, unsecured personal loans. This interconnectedness of loans highlights the potential for a ripple effect, where defaults in one category of loans can have a broader impact on the bank's portfolio.

Category Wise Stress Levels in Retail Segment, across Banks & NBFCs during Fiscal 2020 to Fiscal 2025

(Amount in ₹ Billion)

Retail Category		Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	CAGR % (Fiscal 20 to Fiscal 2025)
Housing Loan	Total Stress	1,621.3	1,687.0	1,788.7	2,128.7	2,493.0	2,303.3	7.3%
	Total Outstanding	19,248.2	20,336.5	23,038.8	28,162.2	32,723.7	36,982.9	14.0%
Vehicle Loan	Total Stress	654.3	668.6	681.4	679.7	793.8	898.6	6.6%
	Total Outstanding	4,782.8	4,618.4	5,031.0	6,246.3	7,571.9	8,788.6	12.9%
Credit Cards	Total Stress	309.5	450.8	596.1	832.0	1,014.7	1,112.1	29.1%

Retail Category		Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	CAGR % (Fiscal 20 to Fiscal 2025)
	Total Outstanding	1,625.4	1,732.8	1,922.0	2,769.2	3,461.5	3,976.9	19.6%
Consumer Loan	Total Stress	81.8	101.1	88.7	107.8	131.9	175.7	16.5%
	Total Outstanding	440.9	371.5	456.0	541.2	777.9	850.4	14.0%
Personal Loan	Total Stress	666.9	838.6	1,041.3	1,423.6	1,815.1	2,196.4	26.9%
	Total Outstanding	5,422.1	6,460.7	8,006.0	10,713.3	13,068.1	14,341.6	21.5%
Student Loan	Total Stress	135.8	144.0	149.3	138.8	170.2	161.7	3.5%
	Total Outstanding	810.0	799.2	903.9	1,165.9	1,570.9	2,025.2	20.1%

Note: Vehicle loan includes Auto Loan and used car loan.
Source: Consumer Bureau Data shared by Experian, CRISIL Intelligence

The stress in unsecured lending segment, comprising consumer loans, personal loans, and credit cards, has witnessed a rapid growth, with a CAGR of 16.5%, 26.9% and 29.1%, respectively, between Fiscal 2020 to 2025. This growth has been driven, in part, by the overleveraging of low-income borrowers, who have taken on multiple unsecured loans. As a result, the segment's vulnerability to defaults and delinquencies has increased.

Trend of stressed assets in Banks and NBFCs under MSME and Corporate segments during Fiscal 2022 to Fiscal 2024

In the previous subsection, we have considered Consumer Bureau data shared by Experian in respect of the following categories - Housing Loan, Vehicle Loans (Used car, Auto loans), Consumer loans, Credit cards, Student Loan and Personal Loans (includes short term personal loans) and the microfinance data from NABARD to analyze the overall stressed assets under Retail segment of both banks and NBFCs.

In this subsection, we have considered the following credit bureau data (shared by Experian) to analyze and estimate stressed assets under segments other than Retail i.e. MSME and Corporate:

- 6 categories under consumer bureau data are considered as MSME (individual) – Business Loans (General), Business Loans (Secured), Business Loans (Unsecured), Commercial Vehicle Loans, Commercial Equipment Loans, Loans against Property (LAP)
- Commercial bureau data (<= ₹ 500 million loans exposure) is considered as MSME (commercial)
- Commercial bureau data (> ₹ 500 million loans exposure) is considered as Corporate segment – this has been arrived by deducting (b) from overall commercial bureau data shared by Experian

Trend of Stress levels under MSME segment (individual) in Banks and NBFCs during Fiscal 2022 to Fiscal 2024

(Amount in ₹ Billion)

Type of Stress	Fiscal 2022	Fiscal 2023	Fiscal 2024	CAGR % (Fiscal 2022 to Fiscal 2024)
SMA0	471.2	538.9	781.8	28.8%
SMA 1	354.8	321.8	1,169.7	81.6%
SMA2	224.6	172.9	281.6	12.0%
NPA	1,232.9	1,275.5	1,122.5	-4.6%
W/O	418.3	617.1	763.8	35.1%
Total stress	2,701.8	2,926.2	4,119.4	23.5%
Total outstanding	11,761.2	15,873.2	21,888.8	36.4%

Note: MSME segment (individual) here includes Business Loans (General), Business Loans (Secured), Business Loans (Unsecured), Commercial Vehicle Loans, Commercial Equipment Loans, Loans against Property (LAP); SFBs are not included in Banks; Although Fiscals 2021 and 2025 Data is available, same was excluded from analysis to maintain consistency at an overall MSME level (MSME commercial bureau data was available for Fiscals 2022 to 2024 only)
Source: Consumer Bureau Data shared by Experian, CRISIL Intelligence

Stress levels under MSME segment (individual) in Banks

(Amount in ₹ Billion)

Type of Stress	Fiscal 2022	Fiscal 2023	Fiscal 2024	CAGR % (Fiscal 2022 to Fiscal 2024)
SMA0	180.5	214.4	391.4	47.3%
SMA 1	152.9	143.1	177.1	7.6%
SMA2	91.2	72.3	185.3	42.5%
NPA	404.9	400.4	691.6	30.7%
W/O	320.7	460.3	582.9	34.8%
Total stress	1150.2	1290.5	2028.2	32.8%
Total outstanding	6273.3	8390.6	12238.1	39.7%

Note: MSME segment (individual) here includes Business Loans (General), Business Loans (Secured), Business Loans (Unsecured), Commercial Vehicle Loans, Commercial Equipment Loans, Loans against Property (LAP); SFBs are not included in Banks; Although Fiscals 2021 and 2025 Data is available, same was excluded from analysis to maintain consistency at an overall MSME level (MSME commercial bureau data was available for Fiscals 2022 to 2024 only)
Source: Consumer Bureau Data shared by Experian, CRISIL Intelligence

Stress levels under MSME segment (individual) in NBFCs

(Amount in ₹ Billion)

Type of Stress	Fiscal 2022	Fiscal 2023	Fiscal 2024	CAGR % (Fiscal 2022 to Fiscal 2024)
SMA0	290.8	324.5	390.4	15.9%
SMA 1	201.9	178.7	992.6	121.7%
SMA2	133.3	100.7	96.4	-15.0%
NPA	828.0	875.1	430.9	-27.9%
W/O	97.6	156.8	180.9	36.2%
Total stress	1551.6	1635.7	2091.2	16.1%
Total outstanding	5487.8	7482.6	9650.6	32.6%

Note: MSME segment (individual) here includes Business Loans (General), Business Loans (Secured), Business Loans (Unsecured), Commercial Vehicle Loans, Commercial Equipment Loans, Loans against Property (LAP); SFBs are not included in Banks; Although Fiscals 2021 and 2025 Data is available, same was excluded from analysis to maintain consistency at an overall MSME level (MSME commercial bureau data was available for Fiscals 2022 to 2024 only)
Source: Consumer Bureau Data shared by Experian, CRISIL Intelligence

b) Trend of Stress levels under MSME segment (commercial) in Banks and NBFCs during Fiscal 2022 to Fiscal 2024

(Amount in ₹ Billion)

Type of Stress	Fiscal 2022	Fiscal 2023	Fiscal 2024	CAGR % (Fiscal 2022 to Fiscal 2024)
SMA -0	868.5	839.5	989.6	6.7%
SMA -1	292.7	302.4	314.4	3.6%
SMA -2	105.6	129.6	166.2	25.5%
NPA	879.0	349.6	334.1	-38.3%
Written off	1,987.1	2,180.9	2,508.3	12.4%
Total Stress	4,132.9	3,802.0	4,312.7	2.2%
Total Outstanding	29,438.0	32,298.5	36,697.2	11.7%

Note: Commercial bureau data (<=₹ 50 crores loans exposure) is considered as MSME segment (commercial) here; 180+ DPD loans and 90+ DPD (up to 180 days) were considered as written offs and NPAs respectively by bureau. Fiscals 2021 and 2025 Data was not available with bureau, hence only data of Fiscals 2022 to 2024 are considered
Source: Commercial Bureau Data shared by Experian, CRISIL Intelligence

Stress levels under MSME Segment (Commercial)- Banks

(Amount in ₹ Billion)

Type of Stress	Fiscal 2022	Fiscal 2023	Fiscal 2024	CAGR % (Fiscal 2022 to Fiscal 2024)
SMA -0	814.9	787.2	927.7	6.7%
SMA -1	251.0	264.1	284.8	6.5%
SMA -2	82.4	116.0	154.6	36.9%
NPA	819.5	296.7	295.4	-40.0%
Written off	1,796.2	2,003.6	2,331.3	13.9%
Total Stress	3,764.1	3,467.7	3,993.9	3.0%
Total Outstanding	26,961.39	30,034.95	33,732.21	11.9%

Note: Commercial bureau data (<=₹ 50 crores loans exposure) is considered as MSME segment (commercial) here; 180+ DPD loans and 90+ DPD (up to 180 days) were considered as written offs and NPAs respectively by bureau. Fiscals 2021 and 2025 Data was not available with bureau, hence only data of Fiscals 2022 to 2024 are considered
Source: Commercial Bureau Data shared by Experian, CRISIL Intelligence

Stress levels under MSME Segment (Commercial)- NBFCs

(Amount in ₹ Billion)

Type of Stress	Fiscal 2022	Fiscal 2023	Fiscal 2024	CAGR % (Fiscal 2022 to Fiscal 2024)
SMA -0	53.7	52.4	61.9	7.4%
SMA -1	41.7	38.3	29.6	-15.7%
SMA -2	23.1	13.5	11.6	-29.2%
NPA	59.5	52.9	38.7	-19.4%
Written off	190.9	177.2	177.0	-3.7%
Total Stress	368.9	334.3	318.7	-7.0%
Total Outstanding	2,476.7	2,263.6	2,965.0	9.4%

Note: Commercial bureau data90 (<=₹ 50 crores loans exposure) is considered as MSME segment (commercial) here; 180+ DPD loans and 90+ DPD (up to 180 days) were considered as written offs and NPAs respectively by bureau. Fiscals 2021 and 2025 Data was not available with bureau, hence only data of Fiscals 2022 to 2024 are considered
Source: Commercial Bureau Data shared by Experian, CRISIL Intelligence

Based on tables from (a) and (b), estimated MSME credit (individual + commercial) outstanding grew at a CAGR of approximately 19.2% from approximately ₹ 41.2 Trillion as of March 31, 2022 to approximately ₹ 58.6 Trillion as of March 31, 2024. MSME credit accounted for approximately 25% of the overall Credit in India as of March 31, 2024. CRISIL Intelligence expects MSME Credit by NBFCs to increase to 27% to 29% by March 31, 2026.

NPA under this segment as of March 31, 2024 is approximately ₹ 1.46 Trillion. In respect of MSME segment under both Banks and NBFCs, overall stress has grown at a CAGR of approximately 11.1% over the last 2 years from approximately ₹ 6.8 Trillion, as of March 31, 2022 to approximately ₹ 8.4 Trillion, as of March 31, 2024. CRISIL Intelligence expects GNPA under MSME segment of NBFCs to increase to 4% to 5% by March 31, 2026 from a level of 3.6% as of March 31, 2024.

c) Trend of Stress levels under corporate segment in Banks and NBFCs during Fiscal 2022 to Fiscal 2024

(Amount in ₹ Billion)

Type of Stress	Fiscal 2022	Fiscal 2023	Fiscal 2024	CAGR % (Fiscal 2022 to Fiscal 2024)
SMA -0	514.9	346.8	581.6	6.3%
SMA -1	374.3	82.0	67.9	-57.4%
SMA -2	12.4	19.5	57.2	114.7%
NPA	1,169.2	131.8	155.5	-63.5%
Written off	4,825.3	4681.8	5,649.9	8.2%
Total Stress	6,896.1	5,261.9	6,512.2	-2.8%
Total Outstanding	73,635.3	75,004.5	88,598.7	9.7%

Note: Commercial bureau data (>₹ 50 crores loans exposure) is considered as corporate segment here;180+ DPD loans and 90+ DPD (up to 180 days) were considered as written offs and NPAs respectively by bureau; Fiscals 2021 and 2025 Data was not available with bureau, hence only data of Fiscals 2022 to 2024 are considered
Source: Commercial Bureau Data shared by Experian, CRISIL Intelligence

Stress levels under corporate segment in Banks

(Amount in ₹ Billion)

Type of Stress	Fiscal 2022	Fiscal 2023	Fiscal 2024	CAGR % (Fiscal 2022 to Fiscal 2024)
SMA -0	507.4	326.1	558.8	4.9%
SMA -1	111.6	56.2	61.0	-26.0%
SMA -2	8.5	18.9	56.2	157.3%
NPA	1,010.0	83.3	145.0	-62.1%
Written off	4,354.4	4,457.0	5,417.1	11.5%
Total Stress	5,991.8	4,941.4	6,238.2	2.0%
Total Outstanding	67,191.2	73,407.2	84,711.3	12.3%

Note: Commercial bureau data (>₹ 50 crores loans exposure) is considered as corporate segment here;180+ DPD loans and 90+ DPD (up to 180 days) were considered as written offs and NPAs respectively by bureau. Fiscals 2021 and 2025 Data was not available with bureau, hence only data of Fiscals 2022 to2024 are considered
Source: Commercial Bureau Data shared by Experian, CRISIL Intelligence

Stress levels under corporate segment in NBFCs

(Amount in ₹ Billion)

Type of Stress	Fiscal 2022	Fiscal 2023	Fiscal 2024	CAGR % (Fiscal 2022 to Fiscal 2024)
SMA -0	7.5	20.7	22.9	74.5%
SMA -1	262.7	25.8	6.9	-83.8%
SMA -2	3.9	0.6	1.0	-50.0%
NPA	159.2	48.5	10.5	-74.3%
Written off	471.0	224.8	232.8	-29.7%
Total Stress	904.32	320.49	274.0	-45.0%
Total Outstanding	6,444.14	1,597.27	3,887.5	-22.3%

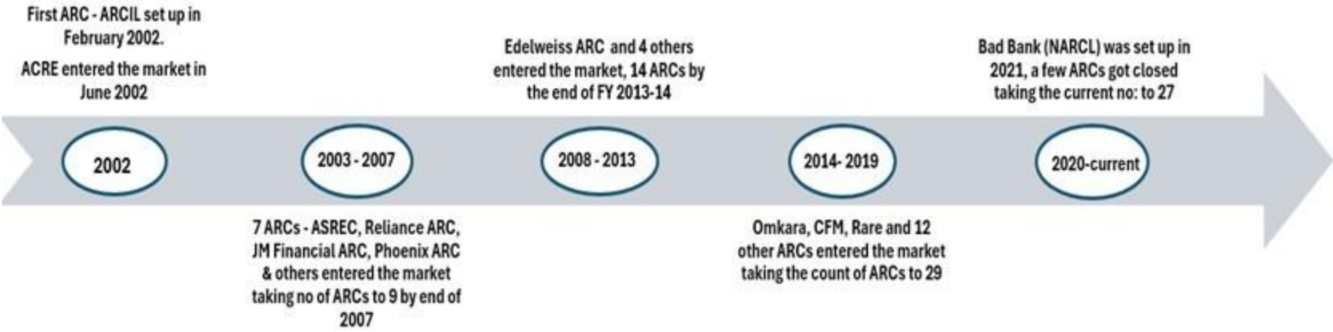
Note: Commercial bureau data (>₹ 50 crores loans exposure) is considered as corporate segment here;180+ DPD loans and 90+ DPD (up to 180 days) were considered as written offs and NPAs respectively by bureau; Fiscals 2021 and 2025 Data was not available with bureau, hence only data of Fiscals 2022 to 2024 are considered
Source: Commercial Bureau Data shared by Experian, CRISIL Intelligence

ARC Industry Evolution and Market Scenario

Background – conceptualization and creation of ARCs

The concept of Asset Reconstruction Companies (ARCs) originated from the 2nd Narasimham Committee's 1998 report, which identified the pressing need to address the mounting Non-Performing Assets (NPAs) that were crippling the banking sector's profitability. Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act was introduced in 2002 to streamline the recovery process and eliminate the need for external (judicial) intervention.

SARFAESI enabled Banks/FIs to enforce their rights on securities without the intervention of courts. SARFAESI Act also laid the legal groundwork for the establishment of ARCs in India The primary objective of ARCs is to acquire and manage Stressed assets i.e. non-performing assets (NPAs), Special Mention Accounts (SMA 0/1/2), and written-off accounts, from Banks/ FIs. By offloading these stressed assets to ARCs, Banks/FIs will be able to remove them from their balance sheets, thereby liberating their capital and resources to concentrate on their core lending activities. Subsequent to the acquisition of these stressed assets, ARCs employ a range of recovery strategies, including restructuring, exercising rights over underlying collateral, and negotiating settlements, with the aim of maximizing recoveries and optimizing asset values. To operate as an ARC, an entity must obtain registration from the Reserve Bank of India (RBI) under Section 2 of the SARFAESI Act, 2002.



Source: CRISIL Intelligence

The ARC industry in India began taking shape in 2002, with the first ARC, Asset Reconstruction Company (India) Limited (ARCIL), commencing operations in February 2002. This was soon followed by the establishment of the second ARC, Assets Care & Reconstruction Enterprise Limited, in June 2002. Over the next few years, the industry expanded rapidly and today the ARC industry in India comprises 27 operational ARCs, managing assets worth approximately ₹ 1.5 trillion.

Operating and Business Models of an ARC:

Pre-Acquisition process:

Banks/FIs[2] express interest in selling a pool of Bad Loans or a single Big Bad Loan

Banks/FIs identify stressed assets that are unlikely to be recovered through their own efforts and decide to sell them to ARCs to clean up their balance sheets and enhance capital adequacy. This enables them to focus more on their core business activities. Banks/FI use different mechanisms such as auctions and private negotiations to solicit bids from ARCs.

Due diligence by an ARC interested in buying stressed assets

To evaluate the potential for recovery of a stressed asset, the ARC conducts a due diligence exercise which involves:

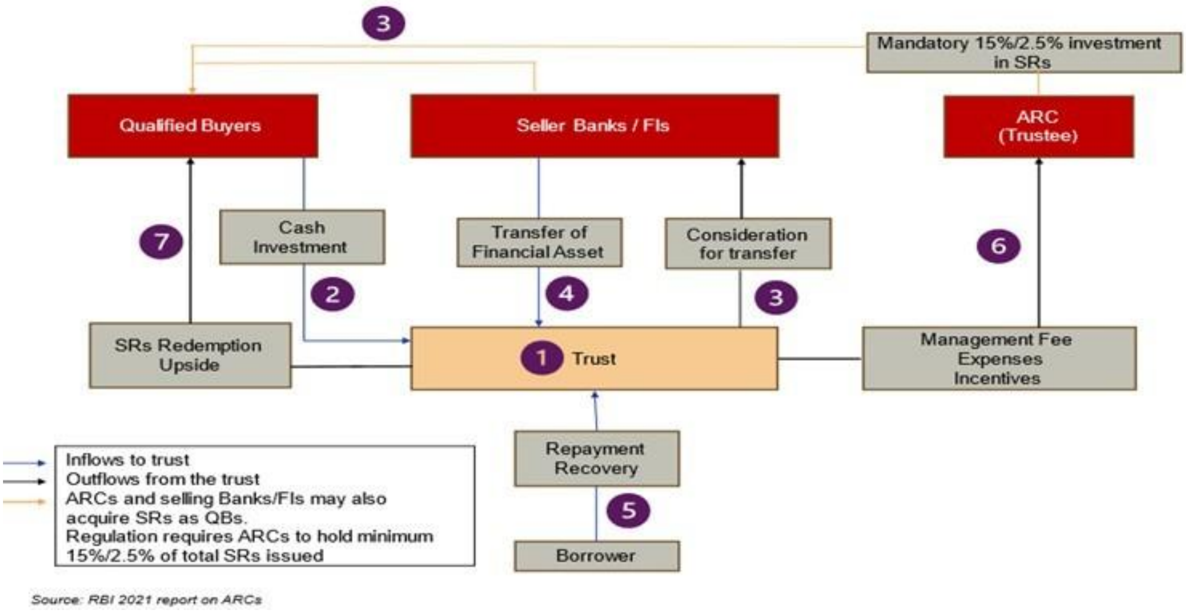
- Reviewing loan documents and collateral to identify any irregularities
- Assessing the status of ongoing litigations and SARFAESI actions
- Analyzing the borrower's financials, business prospects, and industry trends (for large corporate exposures)
- Estimating the expected recovery value to determine a viable purchase price

This thorough assessment enables the ARC to make an informed bidding decision, based on a robust evaluation of the asset's recovery potential. Following due diligence, the ARC submits a bid to the Bank/FI, typically at a discount to the loan's book

[2] FIs (Financial Institutions) here refer to as NBFCs, HFCs, and MFIs

value to account for risk and recovery costs. If the Bank/FI is satisfied with the ARC's pricing and track record, it accepts the bid and proceeds with the sale, transferring the stressed assets from its balance sheet to the ARC's portfolio.

Acquisition/Post-Acquisition process – understanding the operating and business models of an ARC:



Setting up Trust

Once a bank accepts the ARC's bid, the acquisition phase begins, where the stressed asset is transferred to the ARC. In this regard, a trust is set up by the ARC for the purpose of acquisition and securitization of financial assets.

Subscription of SRs as investment:

In the process of acquiring stressed assets, the ARC via this trust issues SRs to the Banks/FIs that are divesting these assets, as well as to other eligible investors, known as Qualified Buyers (QBs), which include, NBFCs, HFCs, Insurance companies, mutual fund companies, etc. These SRs represent an undivided interest in the underlying assets, conferring a proportionate right, title, and interest in the assets to the holders of the SRs. The acquisition of stressed assets is typically undertaken at auction price and the highest bidder (ARC) gets the opportunity to acquire the asset.

ARCs acquire stressed assets through different structures, as mentioned below:

Acquisitions where the Bank/FI selling the stressed assets is not an investor:

- **ARC as sole acquirer**: These are acquisitions in which all the SRs issued by the trust are subscribed by ARC and the returns of the trust belong to ARC, as they are the sole subscriber of security receipts.

- **Co-Investor Acquisitions**: Co-investor acquisitions typically involve the subscription of SRs by ARC and one or more QBs other than the seller of the stressed assets and the returns are shared by ARC in proportion of ARC holdings of the security receipts.

For transactions on 100% cash basis, minimum contribution by an ARC currently stipulated by the regulator is 2.5% of total SRs issued in each class and scheme.

Acquisitions where the Bank/FI selling the stressed assets is an investor:

- **Ordinary Security Receipts Acquisitions**: Acquisitions where the SRs are subscribed by ARC and the seller of the stressed assets, and the returns are shared by ARC in proportion of ARC holdings of the security receipts.

- **Structured Acquisitions**: ARCs and the sellers of stressed assets generally subscribe to SRs, as observed in the previous case. However, a notable distinction in this context is that ARCs are entitled to receive relatively higher management fees and resolution fees, commensurate with the greater efforts and complexities involved in facilitating recoveries from the underlying assets. Moreover, the Internal Rate of Return (IRR) of ARCs are generally capped in these deals.

- ARCs shall, invest in the SRs at a minimum of either 15% of the transferors' investment in the SRs or 2.5% of the total SRs issued, whichever is higher, of each class of SRs issued by them under each scheme.

Consideration for Transfer:

Based on the type of acquisition, funds are received by the ARC trust from the ARC, Selling bank and QBs towards the purchase of the stressed asset. These entities in turn subscribe to the SRs issued by the trust against the extent of consideration received from each of them.

Transfer of Financial Asset

Upon receipt of the consideration proceeds by the selling Bank/FI, the transfer of financial assets to the ARC is formally executed. Subsequent to this transfer, the ARC assumes the role of primary agent responsible for recovery, thereby taking on the primary responsibility for realizing value from the transferred assets and facilitating the recovery process.

Repayment Recovery

Once the ARC acquires an NPA account/pool of accounts, it implements the following recovery or resolution strategies to redeem the SRs:

a) Loan Restructuring: This process involves revising the repayment schedule, lowering interest rates, providing partial waivers of dues, etc. considering the underlying fundamentals and financials of the specific borrower. Post restructuring, ARC continues to monitor recovery of loans.

b) Sale of underlying Assets: If the borrower does not comply to the repayment schedule in respect of secured loans, the ARC can initiate SARFAESI related actions to recover dues by selling or leasing the borrower's assets. The SARFAESI Act applies in respect of recovering outstanding debts (backed by assets) of at least ₹ 0.1 million (for banks) or ₹ 2 million (for NBFCs) that are classified as NPAs. When an account turns NPA, the Bank/FI issues a 60-day demand notice to the borrower, after which it can take possession of secured assets if repayment is not made. The Bank/FI can then sell or lease these assets to recover dues through auctions.

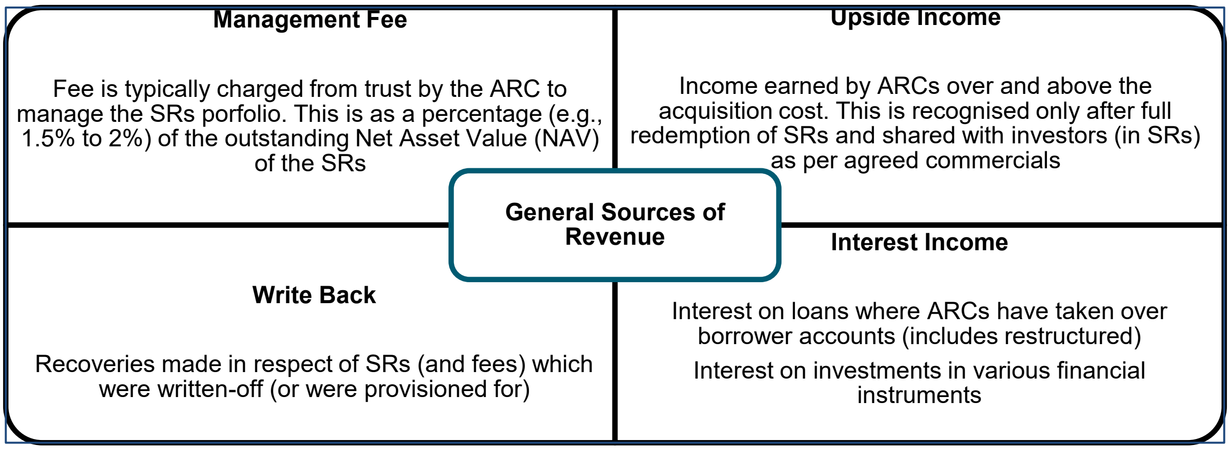
c) Legal Action: ARC can recover loans through legal mechanisms such as Debt Recovery Tribunals (for defaults amounting to ₹ 2 million and above). The process involves the bank/FI submitting an application to the DRT, which then sends a notice to the borrower, allowing them to respond and present their case. The DRT delivers a judgment in the form of a recovery certificate, which can be enforced through measures such as selling the borrower's assets if not followed. Banks/FIs can also leverage the Insolvency and Bankruptcy Code (IBC) in applicable cases (explained in detail in 3.3.2).

d) One Time Settlement (OTS): ARC may also opt for OTS when recovery prospects are low. ARCs leverage Lok Adalats as well for this mode of recovery. Lok Adalats provide an alternative dispute resolution mechanism where parties, including banks/FIs and borrowers, resolve disputes amicably through informal discussions facilitated by a panel. The goal is to reach a mutually acceptable agreement, which, if achieved, is legally binding and equivalent to a court decree. Banks/FIs often use Lok Adalats to settle small-ticket loans, typically up to ₹ 2 million.

   The adoption of innovative technologies, such as artificial intelligence and data analytics, is revolutionizing the debt resolution approaches (specially in respect of unsecured Retail loans) of ARCs. By leveraging these cutting-edge tools, ARCs are streamlining their operations, improving their ability to manage debt recovery processes, and ultimately increasing their overall efficiency and effectiveness.

Revenue Model of an ARC

During the process of recovery, an ARC earns revenue through various means, as depicted here below:



Redemption of SRs

The ARC uses the recovery proceeds (collected from various methods mentioned above in Point 5) to redeem Security Receipts in a phased manner. In case the SRs are not redeemed within 8 years (for private ARCs), SRs which are still held are classified as loss assets and written off from the books. However, Qualified Buyers (who hold at least 75% of the total value of SRs) can invoke the provisions of Section 7(3) of the SARFAESI Act, to convene a meeting of all QBs and pass a resolution that is binding on the ARC. After complete resolution of all the stressed assets in the trust, the ARC closes the trust completing administrative, legal, and accounting formalities.

Regulatory Guidelines:

To ensure smooth and sustainable functioning of ARCs, RBI, under the powers provided by SARFAESI Act, 2002, issues guidelines on several aspects, some of which are mentioned below:

1. Maintenance of minimum Net Owned Funds (Rs 3 Billion by 2026) to ensure sufficient financial strength and a stable capital base.

2. Minimum Investment in SRs to be mandatorily done by ARCs involved in a transaction, to ensure commitment and recovery accountability.

3. Specific timeframe (8 years for private ARCs) to ensure timely resolution so that lenders can get considerable time to exit.

4. Capital Risk Adequacy Ratio (minimum of 15%), to ensure that ARCs are well capitalized relative to the riskiness of their asset portfolio.

5. A cap on management tenure, to ensure appointment and fitness of management to uphold strong governance and professionalism.

6. Income recognition guidelines to ensure conservative and realistic accounting practices.

From Nascent to Matured: the 3 Phases in evolution of ARCs (AUM and SRs issued/redeemed)

Nascent Phase (Fiscal 2002 to Fiscal 2013)

During this phase, ARCs were required to hold only 5% of the SRs issued, with the remaining 95% being typically subscribed by the transferor banks. The face value of SRs issued was typically not less than the amount of the loan outstanding, net of provisions held. As a result, the risk transfer from banks' books was incomplete, as they retained a significant proportion of the credit risk through the SRs. Although ARCs achieved some success in restructuring large accounts and recovering value through asset sales, the overall recovery rate was low, and the pricing of stressed assets was unattractive to banks. As a result, banks preferred to use internal recovery methods and loan restructuring, limiting the industry's progress during this phase. The ecosystem was still in its developmental stage. By the end of this phase, the industry's Assets Under Management (AUM) reached approximately Rs 90 Billion only.

High Growth Phase (Fiscal 2013 to Fiscal 2019)

During this phase, the minimum requirement for ARC investments in SRs increased to 15% in August 2014 i.e. the industry shifted from 5:95 model to a 15:85 model. As a result, the capital requirement for ARCs increased significantly, as the regulator wanted ARCs to have more commitment.

AUM growth saw a takeoff from the second half of Fiscal 2014, when there was a regulatory push for banks to clean up their balance sheets. AUM growth of the industry increased from approximately ₹ 90 Billion at the beginning of this phase to approximately ₹ 1,120 Billion by the end of this phase.

Key Regulatory initiatives introduced in Asset Reconstruction Industry during this phase:

Key Regulations	Impact on the industry
Management fees to be calculated on NAV rather than the outstanding value of SRs	Incentivizes ARCs to recover more - This is because the earnings of ARCs are directly tied to the asset's value
Reduction of planning period (to create a resolution plan) from 12 months to six months	Quicker resolution of stressed assets
FDI in ARCs increased to 100%	The government's decision to allow 100% FDI boosted foreign capital inflow and investor confidence, allowing greater participation and competition in the ARC sector

- Apart from the above regulations, this phase also saw the enactment of Insolvency and Bankruptcy Code, 2016, catering to corporate and individual defaults amounting to ₹ 10 million and above.

- Using IBC, creditors can seek recovery of dues from a company by initiating a Corporate Insolvency Resolution Process (CIRP) through the National Company Law Tribunal (NCLT). Post this, NCLT can appoint an Interim Resolution Professional (IRP) to temporarily manage the company's operations.

- The IRP verifies and lists creditor claims, constitutes a Committee of Creditors (COC) within 30 days, comprising financial creditors. COC then appoints a Resolution Professional (RP) and invites resolution applicants to submit plans to revive the company, which must be approved by the COC and implemented within 180 days (with a possible 90-day extension).

- Once a resolution plan is approved, it is presented to the NCLT for sanction, and upon approval, the plan is executed, becoming binding on the corporate debtor and all stakeholders, thereby completing the CIRP.

IBC aimed to provide a time-bound and efficient process for resolving insolvency cases, to benefit both creditors and borrowers. However, despite the aim of a time-bound resolution, delays often extend beyond the prescribed timeframe, leading to asset depreciation, lower recovery rates, and increased litigation costs. As of June 30, 2024, over 60% of ongoing cases (1,249 out of 1,973) exceeded the 330-day limit stipulated for closing the process in each case.

Despite certain shortcomings, IBC helped create a new market for ARCs. IBC paved the way for attracting investors into the stressed-assets space. The IBC improved the credit culture over the eight years since its inception by resolving a considerable amount of stressed assets and the ARC industry is likely to have benefited significantly from this. Apart from its positive impact on improving credit quality, the implementation of the IBC can be credited with many path-breaking changes in the insolvency resolution process. It tilted the power equation in favor of creditors from debtors, and helped strengthen India's insolvency resolution ecosystem.

Mature Phase (Post Fiscal 2019)

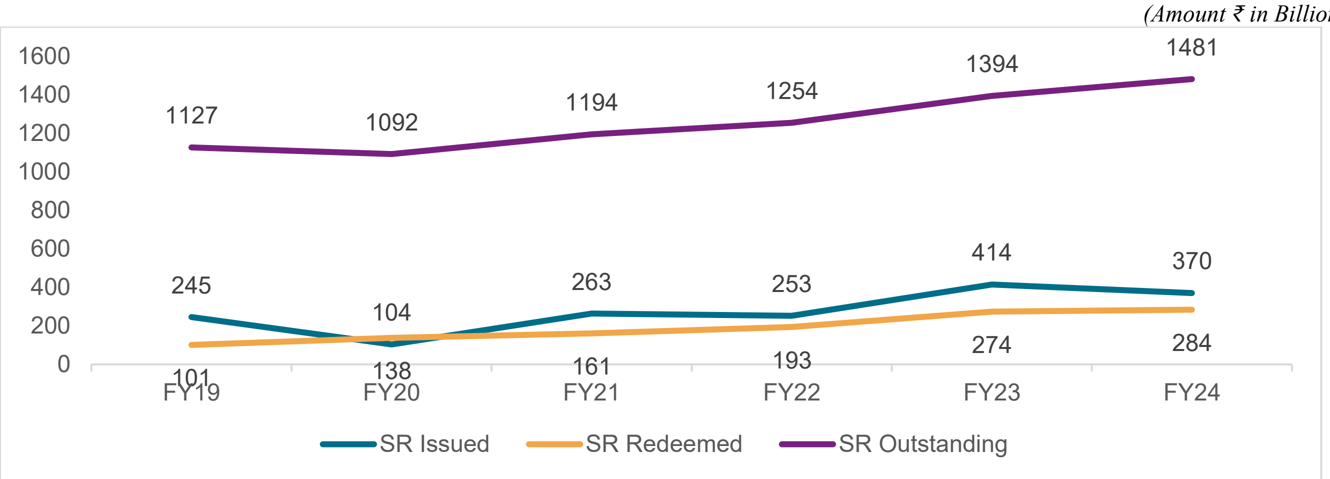
The ARC industry underwent a significant transformation during this phase, driven by changes in the corporate and retail stressed asset landscapes. Initially, the industry experienced a decline in corporate stressed asset sales, primarily due to a decrease in corporate NPAs. Therefore, ARCs started focusing towards acquiring non-corporate stressed assets, particularly in the retail sector.

The COVID-19 pandemic and subsequent economic challenges led to a buildup of stress in the retail sector, creating new opportunities for ARCs. As a result, retail stressed assets became an increasingly important component of ARCs' portfolios.

The latter half of this phase saw the emergence of the National Asset Reconstruction Company Limited (NARCL). It was incorporated in July 2021 with majority stake (approximately 84%) held by public sector banks in India, with the objective of cleaning up legacy stressed assets with an exposure of ₹ 5 Billion and above in the Indian banking system. The emergence of NARCL can lead to increased competition in the asset reconstruction sector, potentially affecting ability of private ARCs to acquire stressed assets at favorable prices. Furthermore, the SRs issued by this ARC are backed by the Government of India, which may make it a preferred choice for banks and financial institutions over other ARCs in India.

Trend on SRs Issued, Redeemed & O/s during last 5 years

(Amount ₹ in Billion)



Note: The numbers are rounded off to the nearest billion
Source: RBI-Reports on Trend and Progress of Banking in India

The SR issuances saw a steep drop in Fiscal 2020 to ₹ 103.5 Billion. The industry witnessed strong issuance of ₹ 414.5 Billion and ₹ 370.4 Billion in Fiscal 2023 and Fiscal 2024 respectively. However, the growth of AUM for ARCs has slowed down in the last few years due to a combination of factors, including a higher discount rate (on legacy corporate assets in particular) and an increase in SR redemptions due to improved recoveries mainly from low vintage stressed assets.

Key Regulatory initiatives introduced in Asset Reconstruction Industry during this phase:

Year	Month	Key Regulations	Impact on the industry
2022	Oct	Investment in SRs issued by ARCs - Minimum investment in SRs: 15% of transferor's investment or 2.5% of total SRs issued (whichever is higher)	A new alternative to the current 15% investment requirement in each Security Receipt (SR) scheme will allow ARCs to free up significant capital. This will enable them to expand their operations, enhance liquidity, and diversify their portfolios.
2022	Oct	**Improving Governance** - The tenure of an MD/ CEO/ whole-time director can be a maximum of 5 years at a time and a total of 15 years continuously and a cooling period of 3 years is mandated to reappoint the same person as MD/CEO/WTD in the same ARC	These measures will promote transparency and governance in ARC management by preventing the concentration of decision-making power.
2022	Oct	**Management Fee** - Fees and incentives paid to ARCs must be recovered solely from the proceeds of the underlying financial assets.	This will likely lead to increased fairness and transparency in income distribution, enabling ARCs to focus on faster asset resolution.
2022	Oct	**RBI allows ARCs to acquire SMA-0 Accounts** - RBI allowed ARCs to acquire all types of stressed assets, including SMA-0 along with existing SMA-1 / SMA-2 / NPA	ARCs will be able to take swift action, resolving stressed accounts quickly and facilitating early recoveries. This will help avoid lengthy legal battles and improve overall efficiency.
2022	Oct	**RBI allows select ARCs to act as Resolution Applicant under IBC** - ARCs with a minimum NOF of ₹ 10 Billion are eligible for acting as Resolution Applicants	ARCIL, NARCL, JM Financial ARC, and Edelweiss ARC are the only ARCs with NoF > ₹ 10 Billion (as of March 31, 2024), making them eligible to participate in the IBC process as resolution applicants. This can give them an early advantage over others who are not yet eligible to participate in this process.
2022	Oct	**Net owned fund (NOF)** - RBI raises minimum capital requirement for ARCs from ₹ 1 Billion to ₹ 3 Billion - Existing ARCs must achieve a NOF of ₹ 2 Billion by March 31, 2024 and ₹ 3 Billion by March 31, 2026 - Minimum NOF of ₹ 3 Billion should obtain a new certificate of registration for conducting ARC business	As of March 31, 2024, only 9 out of 27 ARCs, namely ARCIL, Edelweiss ARC, JM Financial, Phoenix, ACRE, Omkara, NARCL, CFM, and Pegasus, meet the eligibility criteria. Higher capital requirements may pose a challenge for smaller players, creating opportunities for stronger private players.
2025	Jan	**Settlement of dues payable by the borrower (>10 Million)** - The RBI requires borrowers with dues over ₹ 10 Million to undergo a thorough evaluation by an Independent Advisory Committee (IAC) before settlement.	The revised framework will enhance transparency, credibility, and recovery efficiency across the industry.

Year	Month	Key Regulations	Impact on the industry
2025	Jan	**Settlement of dues payable by the borrower (<10 Million)** - For dues of ₹ 10 Million or less, ARCs can process settlements based on predefined criteria outlined in their Board-approved policy	It is likely to speed up the approval process, reduce costs, and improve recovery rates for small-ticket loans.
2025	Feb	**TDS Rate Slashed on Security Receipts** - The recent budget introduced a significant reduction in TDS on income from SRs, lowering it from 30% to 10% for entities other than individuals and HUFs	This move is likely to attract more investors to the distressed assets sector.
2025	Feb	**RBI Approves ARCs Listing Plans** - The RBI clarifies that ARCs can list their shares on the market, enabling them to raise equity capital and increase their liquidity and investor base	This move will open new avenues for capital raise and widen the investor base for security receipts. Players with strong financials and reputation can unlock higher value from markets.
2025	Feb	**NBFCs, HFCs get nod to invest in ARC SRs** - SEBI has allowed all non-banking financial companies (NBFC), including Housing finance companies (HFC), to invest in security receipts issued by ARCs	The revised framework will lead to Increased liquidity and reduced funding costs in the distressed asset market, improved recovery rates and efficiency, Enhanced transparency and governance in ARC management and new opportunities for stronger private players to grow and consolidate.

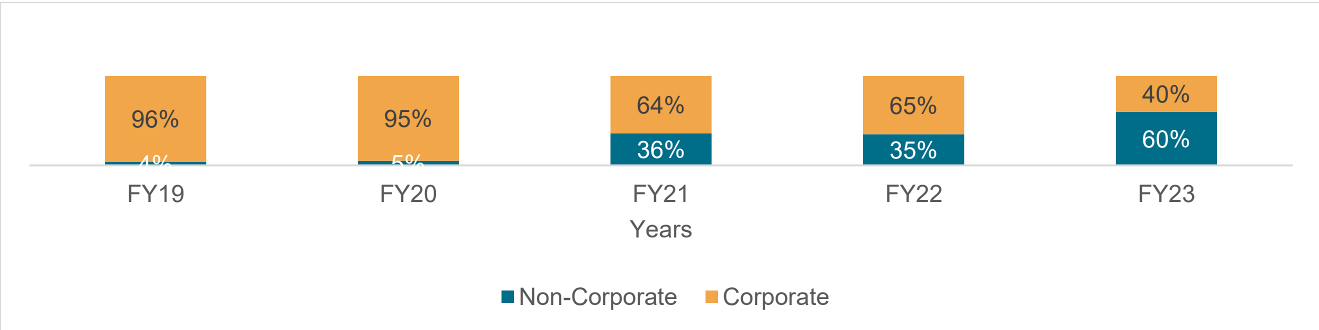
In recent years, the RBI and other regulatory bodies, including SEBI, have introduced several key regulations that are expected to boost the growth of the ARC industry while enhancing transparency and accountability.

Trends observed in the evolution of ARCs during the last 2 to 3 years

Increasing share of SRs under non-corporate segments

The share of corporate debt in the overall size of SRs issued decreased from 64% in Fiscal 2021 to 40% in Fiscal 2023, primarily due to a decline in NPAs of large borrowers from 14.3% in Fiscal 2019 to 3% in Fiscal 2024. As per bureau data, the overall stress under Corporate segment is approximately ₹ 6.5 trillion as of March 31, 2024 and the stress under non-Corporate segment is approximately ₹ 14.9 trillion as of March 31, 2024.

Trend of SRs issued by Corporate and Non-Corporate (Retail & MSME) over the years

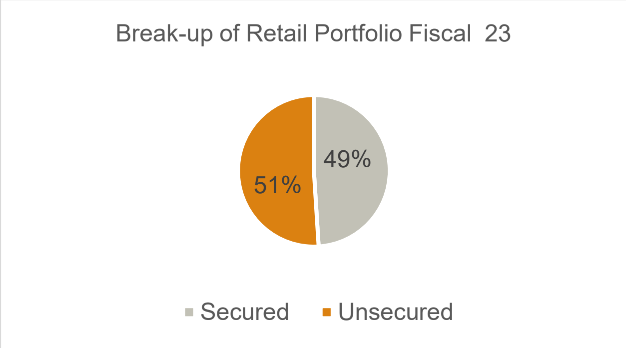


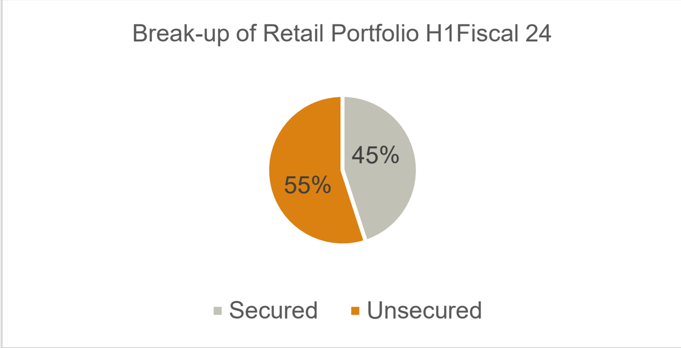
Source: CRISIL Ratings estimates based on rated ARCs constituting over 60% of industry AUM for Fiscals 2023,2022 and 2021 and 75% of Industry AUM for Fiscals 2020 and 2019

The above chart indicates that stressed assets opportunity is shifting from Corporate to Non-Corporate loans. Retail segment in particular has been experiencing rising stress levels, mainly in unsecured loans such as personal loans and credit cards. Overall outstanding amount under Retail segment (includes Housing loans, Vehicle loans, Consumer loans, Credit cards, educational loans, and Personal loans) has grown at a CAGR of 15.7% over the last 5 years from approximately ₹ 32 Trillion, as of March 2020 to approximately ₹ 67 Trillion, as of March 31, 2025.

The key drivers behind this trend include the over-reliance of borrowers, especially low-income individuals, on unsecured loans, leading to over-leverage and increased financial vulnerability.

Component Wise Breakup of SRs issued under Retail (Secured/Unsecured)





Source: CRISIL Ratings estimates based on rated ARCs constituting over 60% of industry AUM

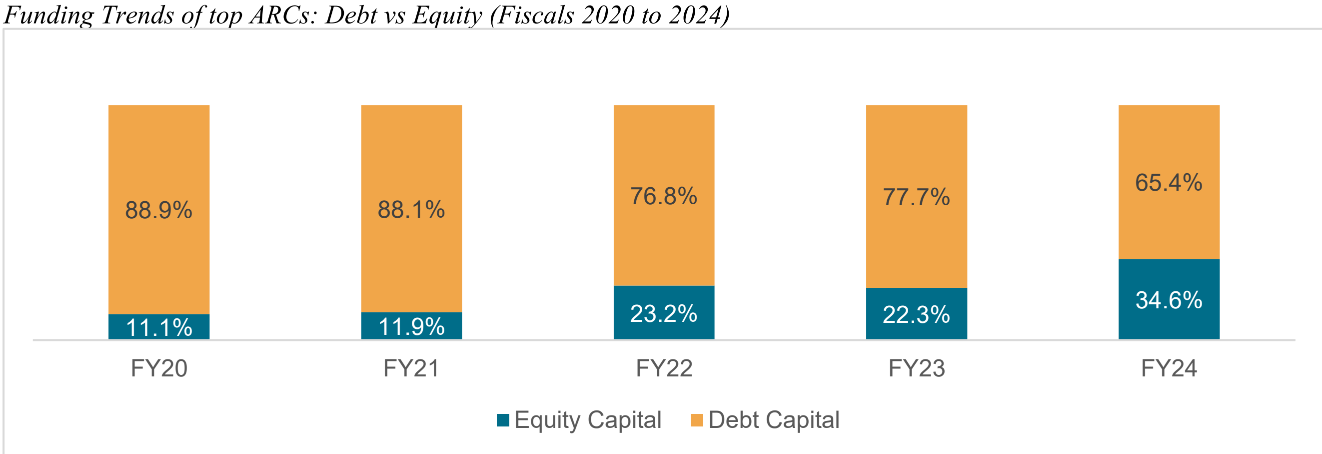
The asset quality of the retail segment (unsecured loans in particular) will likely remain a key monitorable going forward. According to the RBI's half-yearly Financial Stability Report (FSR) released in December 2024, approximately 50% of borrowers who have taken out credit cards and personal loans also have an outstanding high-value loan, typically in the form of a housing loan and/or vehicle loan.

Funding – increasing shift towards Equity

Funding is essential for ARCs, to drive growth in their AUM as it facilitates the acquisition of stressed assets, fulfils capital requirements for cash deals, and covers operational costs. Proper funding enhances the ability of an ARC to resolve and recover assets, while also enabling regulatory compliance.

Prior to Fiscal 2019, Debt (NCDs and Bank borrowings) was the major source of funding. Share of equity started rising slowly towards the end of that decade. Regulations also allowed greater equity investment from foreign investors. The share of equity started increasing significantly from Fiscal 2021. There was continued support from existing investors (along with sponsors) and an increasing share of internal accruals also contributed to a rising share of equity.

Funding Trends of top ARCs: Debt vs Equity (Fiscals 2020 to 2024)

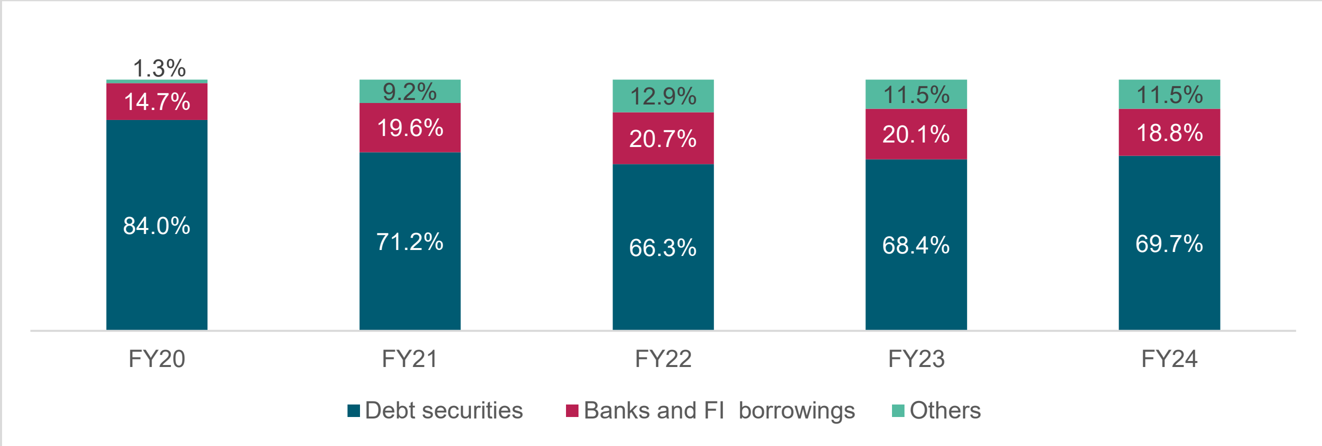


Top 7 ARCs	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024
Leverage Ratio (Debt/Equity)	1.5	1.3	1.0	1.0	0.7

Note: Considered the top 7 players (in terms of AUM as of March 31, 2024) for the analysis namely ARCIL, Edelweiss ARC, JM Financial ARC, ACRE, Omkara, Phoenix & NARCL; For each financial year, Leverage Ratio is calculated by dividing total debt of these 7 ARCs by their total Equity (this is done for FYs 2022 to 2024 only and NARCL was excluded in FYs 2020 and 2021 calculation as it was formed in July 2021 only)Source: Annual reports and Financial Statements of ARCs, CRISIL Intelligence

The ARC industry relies heavily on external investors and group debt to meet its funding needs, as banks generally remained cautious in their participation as evident from the chart below:

Trend in composition of borrowings of top ARCs



Note: Considered the top 7 players (in terms of AUM as of March 31,2024) for the analysis namely ARCIL, Edelweiss ARC, JM Financial ARC, ACRE, Omkara, Phoenix & NARCL. These 7 players were considered for Fiscal 2022 to Fiscal 2024 only NARCL was excluded in 2020 and 2021 as it was formed in July 2021 only)

- *Debt securities comprise of non-convertible debentures (NCD) and commercial paper (CP)*
- *Credit facilities from Banks and other Financial Institutions includes Term loans, Working Capital Term and Demand loan, Interest accrued but not due, Loans repayable on demand from Banks, Cash credit facilities and Overdraft facilities from banks.*
- *Others include Inter corporate deposits (ICD), Loan from related parties and other financial institutions, Loans from related parties and financial lease obligations,*

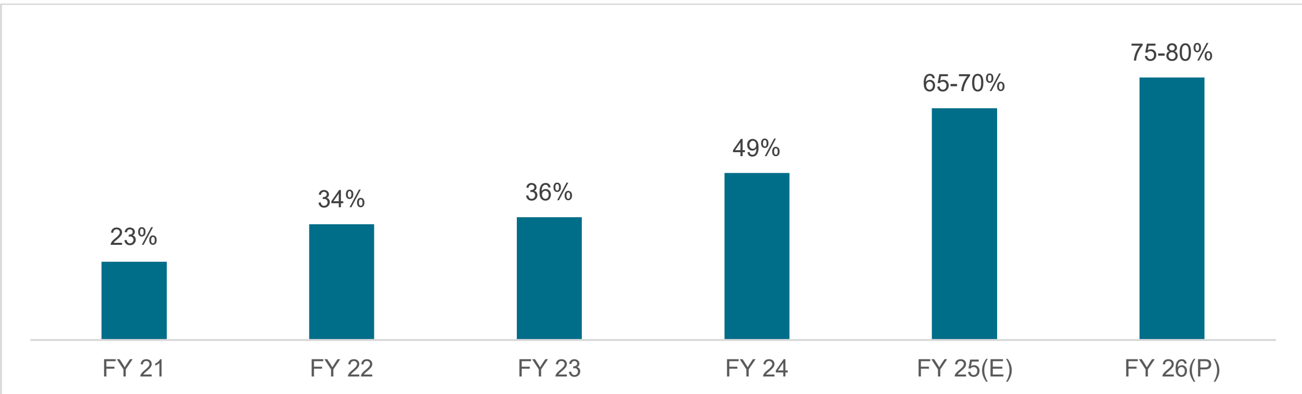
Source: Annual reports and Financial Statements of ARCs, CRISIL Intelligence

The increase in 100% cash deals in the recent past has made external investor participation crucial for ARCs. A few ARCs have successfully executed transactions with investor partnerships, adopting a collaborative model that is gaining traction in the industry. Meanwhile, banks continue to maintain a limited exposure to ARCs, primarily providing working capital facilities, due to concerns over the uncertainty of recovering debts from underlying receivables.

Improving Recovery rates in the last few years

Cumulative recovery rates of SRs (across all sectors) have been rising since Fiscal 2021. It is expected to increase further in Fiscals 2025 and 2026.

Recovery rates of ARCs (Fiscals 2021 to 2026)



Note: E -estimated; P – Projected, Cumulative recovery rate = Cumulative gross recoveries / cumulative SRs issued
Source: CRISIL Ratings analysis of 398 trusts with debt of ₹ 1,911.3 Billion

Some of the key factors that drove the recovery rates are:

Healthy performance of stressed assets in key sectors such as real estate, thermal power and roads and the emergence of favourable macro-economic factors improved recoveries from key sectors in the following ways:

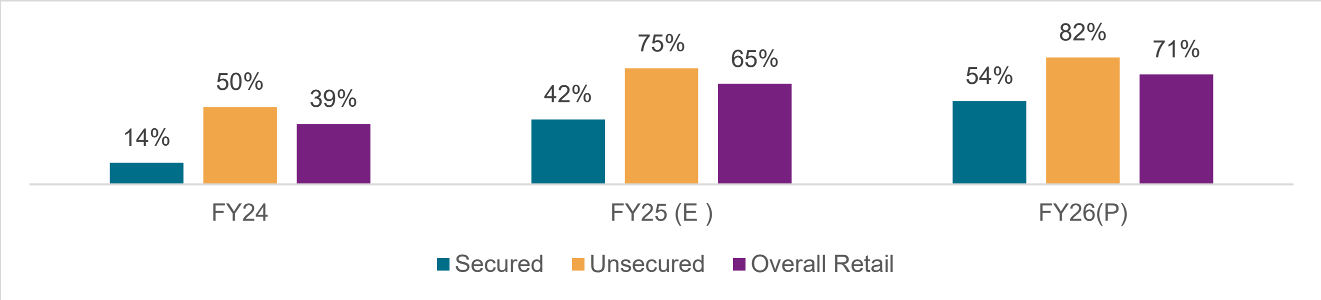
- Stressed residential real estate projects turned viable as property prices rose and inventories declined in the top six cities

- Thermal power plants have seen demand growing amid adequate coal availability and timely payments by state distribution companies.

- Inflation-linked increases in tolls and timely annuity payments by the National Highways Authority of India are aiding recoveries for stressed road assets.

Cumulative redemption rates of Retail assets have also improved significantly in the last two financial years. With the banking industry's GNPA continuously falling in the last 5 years primarily driven by falling corporate NPA levels, better credit culture, ARCs started leaning towards retail stressed assets. The redemption rates of this segment were very high in the last two Fiscals and is expected to increase in Fiscal 2026.

Trend in Cumulative redemption rates under Retail Segment



Source: CRISIL Rating analysis of approximately 46 trusts
Note: Cumulative redemption rate % the cumulative net recoveries as a % of cumulative security receipts issued

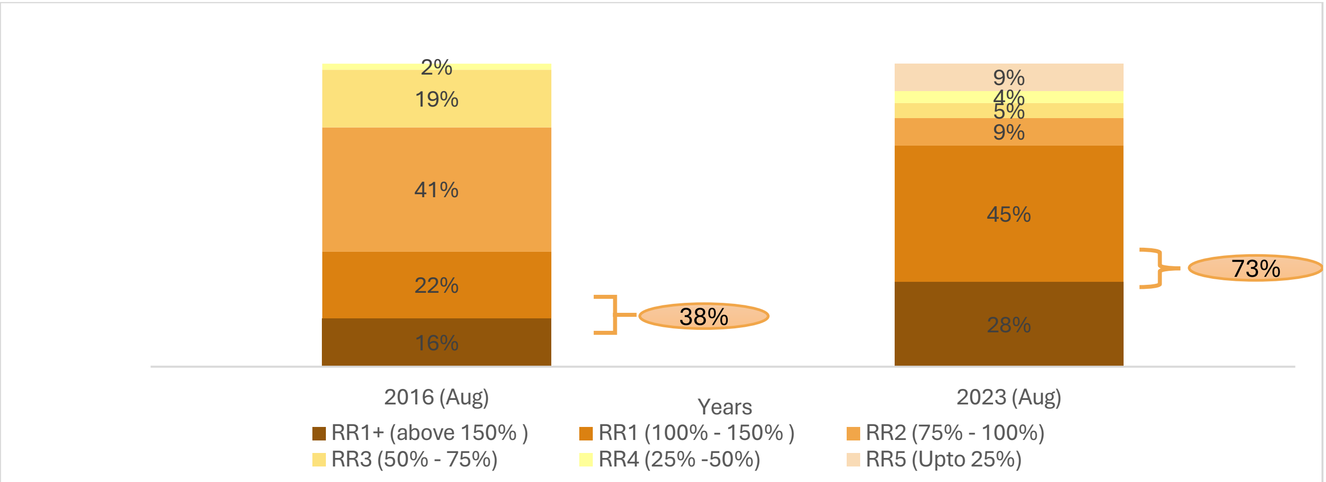
Some of the key factors behind improvement in recoveries under retail stressed assets:

- Retail loans have faster churn rate, with a lower redemption time of 2.5 to 4 years, compared to 5 to 6 years for corporate assets.

- An increase in the proportion of low-vintage, or Special Mention Account (SMA) from approximately 5% in Fiscal 2023 to approximately 25% in Fiscal 2024 is also driving the recoveries up.

- Borrowers with unsecured loans, excluding microfinance, are motivated to settle their outstanding debt to maintain their credit scores and remain eligible for future loans, which is expected to continue driving recoveries.

The overall asset quality of the recent acquisitions is also improving as evident from risk ratings of SRs issued



Source: CRISIL Ratings analysis covering approximately 300 trusts

Recovery Ratings Scale

Recovery Rating	Implied Recovery	Rating Definition
RR1+	More than 150%	The present value of expected recoveries is more than 150% of the face value of outstanding SRs
RR1	More than 100% and up to 150%	The present value of expected recoveries is more than 100% and up to 150% of the face value of outstanding SRs
RR2	More than 75% and up to 100%	The present value of expected recoveries is more than 75% and up to 100% of the face value of outstanding SRs
RR3	More than 50% and up to 75%	The present value of expected recoveries is more than 50% and up to 75% of the face value of outstanding SRs

Recovery Rating	Implied Recovery	Rating Definition
RR4	More than 25% and up to 50%	The present value of expected recoveries is more than 25% and up to 50% of the face value of outstanding SRs
RR5	Up to 25%	The present value of expected recoveries is up to 25% of the face value of outstanding SRs

The ratings of SRs have shown a steady upward trend over the years. Notably, the share of SRs rated RR1+ and RR1 has increased significantly, rising from 38% in August 2016 to 73% in August 2023. This improvement can be attributed to factors such as a higher proportion of cash transactions, better asset quality, and more efficient implementation of resolution strategies.

Debt collection industry

In an effort to enhance the recovery of stressed accounts, Banks/FIs have begun to leverage artificial intelligence (AI)-powered digital solutions developed by specialized debt collection agencies. Although this industry is still in its nascent stage, it exhibits substantial potential for growth, driven by the considerable volume of stressed assets being generated, particularly in the retail loan segment.

The total addressable market (TAM) for the debt collection agencies under retail segment (which encompasses housing loans, vehicle loans, personal loans, educational loans, consumer loans, credit loans) is approximately ₹ 6.9 Trillion (total stress under this segment as per bureau data). Given the estimated growth of 14% to 16% (till Fiscal 2027) in overall outstanding retail segment, the TAM for the debt collection agencies is expected to grow at healthy pace going forward.

Challenges and Opportunities for ARC industry:

Likely emergence of a new alternative in stressed assets market

ARCs have been one of the most robust channels available for Banks/FIs to dispose of their stressed assets. However, a new alternative is likely to emerge in this market through securitization of stressed assets framework, a draft of which released by RBI in April 2025.

Reduction in supply from traditional sources of stressed assets

Historically, ARCs have driven their AUM growth by acquiring Corporate NPAs. However, with a decline in corporate NPA levels since Fiscal 2020, ARCs have to rely more on granular retail assets to sustain growth going forward.

Legal delays undermining recovery efficiency

The business model of an ARC hinges on acquiring stressed assets at a discount and resolving them efficiently. However, frequent delays in legal proceedings pose significant challenges. For example, the average resolution time under the Insolvency and Bankruptcy Code far exceeds the limit of 330 days, impacting the recovery process in multiple ways. These kinds of delays erode the Net Present Value of assets, escalate legal costs, and deter international investors from engaging with India's ARC ecosystem.

Need for Tech-Driven Recovery to acquire Retail stressed assets

While corporate NPAs have been on the decline, a few pockets under the retail segment such as personal loans and credit cards present growing opportunities for ARCs. To capitalize on this potential, ARCs need to rapidly adopt tech-enabled recovery platforms. Such platforms can accelerate resolution timelines, enable digital negotiations/settlements, predict borrower behavior, and customize collection strategies. Without sufficient technological integration, ARCs risk reduced profitability and limited scalability of recovery operations.

Opportunities:

Playing the role of Resolution Managers

SSAF[3] can provide a new alternative for a Bank/FI to sell stressed assets to a Special Purpose Entity (SPE), which issues securities to raise funds for the acquisition. However, the SPE in turn has to appoint a Resolution Manager (ReM) to manage the stressed assets. Here, ARCs can play the role of Resolution Managers. This can also provide new opportunities for ARCs to build new business lines.

It is relatively easier for ARCs to bring their current expertise to this task. Moreover, it may be more financially viable for ARCs to operate as a resolution manager even during the early days, compared to new players who want to operate as Resolution Managers alone.

[3] Securitization of Stressed Assets Framework -draft of this framework was released by RBI in April 2025

Favorable Regulatory Environment

The tightening of capital adequacy may lead to consolidation and the ARCs with strong pedigree can dominate the market. The settlement norms (for dues > ₹ 10 Million) and cap on tenure of management can improve the transparency in the working of ARCs.

On the other hand, regulators and government have brought in several key initiatives in the last 3 years which can fuel the growth of the industry. Some of the key ones include – removing TDS on income earned from SRs, allowing HFCs to invest in SRs, easing settlement process in respect of borrowers with dues < ₹ 10 Million, etc.

Strategic Synergy Between Special Situation Funds (SSF) and ARCs

The introduction of Special Situation Funds (SSFs) by SEBI under Category I AIFs has opened new avenues for the resolution of stressed assets in India. Unlike traditional ARCs, which are often constrained by regulatory limits and capital requirements, SSFs possess the flexibility to invest in a broad spectrum of instruments including equity, debt, and security receipts. This makes them well-suited for co-investing with ARCs and participating directly in resolution plans. By aligning with ARCs, SSFs can bring in financial agility while leveraging the operational (enforcement and recovery) expertise and on-ground experience of ARCs, resulting in more robust resolution strategies.

The example of Tavasya SSF, which launched and closed two schemes—Tavasya Mudrikaran Scheme II being the latest within just six months—highlights growing investor confidence in this hybrid model. These schemes aim to acquire stressed assets in collaboration with top-tier ARCs. For ARCs, this offers an opportunity to transcend traditional limitations by forming joint investment vehicles with SSFs.

Potential to increase acquisition of Special Mention Accounts from Private Sector Banks and NBFCs

Private sector banks and NBFCs have been displaying enhanced interest in offloading loans exhibiting early signs of stress, classified as Special Mention Accounts (SMAs) to ARCs. This trend presents a strategic opportunity for ARCs to acquire distressed assets at a nascent stage, enhancing the potential for successful turnaround and value maximization. By intervening early, ARCs can implement restructuring measures before the loans deteriorate further, thereby improving recovery rates and contributing to the stabilization of the financial system. This proactive approach aligns with the evolving dynamics of the banking sector, where maintaining a healthy credit-deposit ratio and presenting a robust financial profile to investors are paramount.

SMA/NPAs expected to rise in Fiscal 2026

The RBI's macro stress tests projected an increase in the overall Gross NPA ratio of both banks and non-government NBFCs. The non-corporate segment has also seen rise in NPAs in the recent past, primarily driven by increasing delinquencies in unsecured loans, such as credit cards and personal loans, and microfinance loans. The anticipated increase in overall GNPA, and the recent stress levels in few pockets of non-corporate segment, can provide growth opportunities for ARCs.

As per banking trends and progress report of RBI released in December 2024, the commercial real estate portfolio of SCBs has grown at a CAGR of 14.9% (12.9% excluding the impact of HDFC merger) over the last five years from approximately Rs 2.7 Trillion as of March 31, 2020 to approximately Rs 5.3 Trillion as of March 31,2025. However, the commercial real estate segment witnessed significant asset quality concerns - especially for NBFCs during March 31, 2020 to March 31, 2023 due to asset quality stress stemmed from pandemic-led lockdowns, which halted construction and also gave rise to labour shortages, leading to extended construction timelines and financing challenges. Several NBFCs downsized their book after facing asset quality concerns and significant bad loan write-offs. The NPAs for NBFCs under this segment has been in the range of 12% to 15% every year during the period Fiscal 2022 to 2024. Going forward, the commercial real estate portfolio (of SCBs) is expected to grow to approximately ₹ 8.4 Trillion by March 31, 2029 at 12% CAGR driven by the growth in office spaces, retail, warehousing and the growing shared working segment. In view of the expected increasing exposure of Banks and inherent sector risk, the segment is likely to provide significant opportunity for growth in the acquisition and resolution of stressed commercial real estate assets in the near to medium term.

Leveraging technology to strengthen the business model

ARCs have begun to harness the potential of cutting-edge technologies, including AI-driven solutions and data analytics, to refine and optimize their debt resolution strategies. The integration of these advanced technologies is poised to significantly enhance the operational efficiency of ARCs, enabling them to navigate complex debt recovery processes with greater precision and effectiveness. This technological transformation is expected to have a profound impact on the overall performance of ARCs, allowing them to better manage their portfolios, mitigate risks, and achieve greater success in resolving stressed assets.

Overall, the evolution of the ARC industry along with an evolving regulatory framework have made ARCs one of the preferred modes for stressed asset resolution for Retail and MSME loans.

Peer Comparison

ARCIL, established in 2002 as the first ARC in India under the SARFAESI Act, has been a pioneer in the Asset Reconstruction Industry. In this section, CRISIL Intelligence has benchmarked ARCIL with the financial and operating performance of six other ARCs in India based on the latest available data for Fiscal 2022 to 2024.

For the purpose of peer analysis (based on standalone financials), CRISIL has considered the following peers primarily based on their AUM size as of March 31, 2024 (Data for 2025 was not completely available for some of the peers). We have considered only standalone financials of these top 7 ARCs (based on AUM as of March 31, 2024) to maintain consistency in terms of analysis, given the difference in the approaches (based on disclosures) followed by these ARCs in preparation of consolidated financials. In respect of ARCIL, all line items in relation to trusts (in scenarios where the outstanding investment of the ARCIL in SRs > 25%) are identified as subsidiaries and considered as a part of consolidated financials. JM Financial Asset Reconstruction Company Limited considers subsidiaries as those entities over which the company has control. Phoenix ARC Private Limited and Edelweiss Asset Reconstruction Company Limited (mentions about considering accounts of 88 trusts for FY 2024 consolidated numbers) did not clearly disclose in their annual reports about treatment of subsidiaries for the purpose of calculating consolidated financials. Moreover, the assets and liabilities of the trusts are legally distinct from an ARC's assets and liabilities.

All the peers considered are unlisted players operating in this industry. There is no listed ARC operating in India as of now. Publicly traded ARCs (operate under the name of Asset Management Companies) exist in other countries. Moreover, some of these such as China Huarong Asset Management Co., Ltd in China and Bangkok Commercial Asset Management in Thailand operate in a domain similar to ARCs. But a direct comparison with ARCIL is not feasible. This is due to the fact that these AMCs are either directly or indirectly backed by their respective governments. Moreover, the establishment of some of these AMCs was driven by distinct circumstances. The Chinese AMCs also got involved in government programs such as debt-equity swap schemes which is not the case in respect of Indian ARCs. Thus, the regulatory framework (including acquisition of assets, operations of business and resolution methods) pertaining to distressed asset industries of other countries would be different to that of Indian ARCs. Considering these differences in respect of regulatory environment, circumstances of creation, CRISIL has opted not to compare these AMCs with ARCIL in this peer analysis.

Similarly, ARCs are different in operations compared to other players in the distressed assets market like distressed funds. These funds raise large amounts of money from various investors to invest in distressed assets that are facing financial difficulties but still have a viable business model and potential for growth. The goal is to acquire these assets, turn them around, and generate cash flows from them. The scope of ARCs is much broader, and they are involved in resolution of stressed assets through various mechanisms available at their disposal. Thus, there are key differences between ARCs and distressed funds in terms of operational scope and objectives. In view of this, ARCs cannot be directly compared with distressed funds.

Snapshot of Top 7 ARCs based on AUM (as of March 31, 2024)

(Amount ₹ in Billion)

Legal Name (Company referred here as)	Year of formation	AUM (March 31, 2024)	Market Share basis AUM (March 31, 2024)	Key Sponsors (As of March 31, 2024)	
Asset Reconstruction Company (India) Limited (ARCIL)	2002	152.3	10.3%	Avenue India Resurgence Pte. Ltd (approximately 70%)	SBI (approximately 20%)
Edelweiss Asset Reconstruction Company Limited (Edelweiss ARC)	2009	315.9	21.3%	Edelweiss Financial Services Ltd (approximately 60%)	CDPQ (approximately 20%)
Phoenix ARC Private Limited (Phoenix)	2007	146.3	9.9%	Kotak Mahindra Bank (approximately 50%)	-
JM Financial Asset Reconstruction Company Limited (JM Financial ARC)	2007	145.0	9.8%	JM Financial Limited (approximately 54%)	Narotam Sekhsaria (approximately 14%)
Assets Care and Reconstruction Enterprise Limited (ACRE)	2002	109.4	7.4%	ARES ASIA Ltd (49%)	Axis Bank (approximately 14%)
Omkara Assets Reconstruction Private Limited (Omkara)	2014	50.8	3.4%	A Sakthivel (approximately 11%)	Sakthivel Kaleswara Vignesh (approximately 11%)
National Asset Reconstruction Company Limited (NARCL)	2021 (July)	101.8	6.9%	Canara Bank (12%)	-

Note: Market share calculated based on overall AUM data published by RBI for March 31, 2024; sponsor is an entity/individual holding at least 10% of the shares; Numbers are rounded off to nearest billion; Fiscal 2025 Numbers are not available for some of the above ARCs, therefore included Fiscal 2024 numbers only.
Source: Company reports/Companies' Credit Rating reports, CRISIL intelligence

The size (AUM) of the Indian ARC industry as of March 31, 2024 is ₹ 14,80,700 Million. It is a fairly concentrated market, with the top 7 players (in terms of AUM as of March 31, 2024) accounting for approximately 70% of the market share. ARCIL is the second largest ARC in India (in terms of AUM) with an AUM of ₹ 1,52,300.31 Million as of March 31, 2024. Edelweiss ARC, Phoenix, JM Financial ARC, ACRE, and Omkara are the primary competitors of ARCIL. All the companies mentioned above are private ARCs. NARCL is not considered as a primary competitor as it is involved in dealing with only stressed assets with minimum size of ₹ 5 Billion and the remaining 6 ARCs mentioned here can operate across all types of segments (i.e. below ₹ 5 Billion as well).

NARCL is still considered in the peer analysis given that its AUM size is in the range of other players considered above. NARCL can be considered a government-backed ARC since public sector banks in India hold a majority stake of approximately 84%. Additionally, the SRs issued by this ARC are backed by the Government of India. Notably, Omkara is a relatively new entrant (incorporated in 2014) in the market among the private ARCs. Consequently, NARCL and Omkara are categorized separately in the analysis presented in this section to account for their distinct characteristics.

Most of the ARCs with vintage, in the peer set maintained a well-balanced portfolio mix and recorded decent growth rates during Fiscal 2022 to Fiscal 2024; But market share of some of them declined in this period

Notably, many of the established ARCs have begun to diversify their portfolios by expanding their non-corporate segment, comprising Retail, and Small & Medium-sized Enterprise (SME) assets ,in response to the recent decline in corporate NPAs. This trend is particularly evident in the latest portfolio compositions of ARCIL, Phoenix, and JM Financial ARCs.

Market Share and AUM growth of top 7 ARCs (based on AUM as of March 31, 2024)

(Amount in ₹ Billion)

Players		AUM							Market share basis AUM			
		Portfolio Mix* (as of March 31, 2024)	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	Growth / (Fall) during Fiscal 2024	CAGR (Fiscal 2022 to Fiscal 2024)	Fiscal 2022	Fiscal 2023	Fiscal 2024	Growth / (Fall) during Fiscal 2024
Private ARCs with vintage	ARCIL	Corporate (66%), SME & others (19%), Retail loans (15%)	140.4	162.2	152.3	168.5	11.9	4.2%	11.2%	11.6%	10.3%	-0.9%
	Edelweiss ARC	Corporate approximately 93%, Retail approximately 7%	402.0	371.0	315.9	147.1	-86.1	-11.4%	32.1%	26.6%	21.3%	-10.8%
	Phoenix	Retail, SME and Corporate loans	96.9	119.7	146.3	NA	49.4	22.9%	7.7%	8.6%	9.9%	2.2%
	JM Financial ARC	Corporate (approximately 57%), SME (approximately 27%), Retail (approximately 16%)	109.4	135.6	145.0	NA	35.6	15.1%	8.7%	9.7%	9.8%	1.1%
	ACRE	Mostly Corporate loans	97.5	112.6	109.4	92.7	11.9	6.0%	7.8%	8.1%	7.4%	-0.4%
New Private ARC	Omkara	Mostly Corporate, loans	61.5	50.0	50.8	NA	-10.7	-9.1%	4.9%	3.6%	3.4%	-1.5%
Govt Backed ARC	NARCL	Corporate	0	36.7	101.8	NA	101.8	NA	0	2.6%	6.9%	6.9%

Note:(*) Only the segments are mentioned wherever data is not available; For calculating market share, AUM of the ARC industry was taken from RBI; NOs are rounded off to nearest billion; For ARCIL, SME & Others include SME and other accounts based on internal assessment of resolution verticals; Classification of stressed assets done by ARCs (eg. SME) is different to the classification generally done by RBI (Retail, MSME, Corporate/Large borrower)
NA: Not Available (2025 numbers) for a few ARCs
Source: Company reports/Companies' Credit Rating reports, CRISIL intelligence

The market share of a few top ARCs declined marginally during Fiscal 2022 to 2024, while Edelweiss ARC witnessed a more significant decline of approximately 11% during this period. This downturn can be primarily attributed to a decrease in Corporate NPAs. As a result, the overall acquisition numbers for these ARCs have been impacted. On the other hand, the ARCs have also seen an improvement in recoveries from both corporate portfolios (previously acquired assets) and the retail segment (comprising low-vintage and newly acquired assets), which has contributed to a decrease in the overall SRs outstanding/AUM.

ARCIL is the second largest ARC in India during Fiscal 2024 in terms of total revenue from operations (excluding fair value changes unrealized) on a standalone basis

Total revenue from operations (excluding fair value changes unrealized) on a standalone basis of top 7 ARCs based on AUM (as of March 31, 2024)

(Amount in ₹ Million)

Players		Total Operating Income				
		Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	AVG (Fiscal 2022 - 2024)
Private ARCs with vintage	ARCIL	**6,570.17**	**5,073.85**	**5,701.41**	**4,779.77**	**5,781.80**
	Edelweiss ARC	12,108.46	9,645.63	9,395.07	13,957.11	10,383.05
	Phoenix	2,197.25	3,096.04	5,498.31	NA	3,597.20
	JM Financial ARC	6,061.50	2,521.20	4,652.10	2,044.90	4,411.60
	ACRE	3,112.08	3,363.77	3,466.82	NA	3,314.22
New Private ARC	Omkara	2,250.91	1,933.56	2,389.13	NA	2,191.20
Govt backed	NARCL	0.00	140.62	1,349.97	NA	496.97

Note: Total operating income here includes 3 segments – management fees, interest income, and fair value changes (realized)+other operating income. Fair value changes (net) was considered wherever realized vs unrealized split is not available. – Omkara for all 3 Fiscals, ACRE for Fiscal 2022; NA: Not Available (2025 numbers are available for a few companies only)
Source: Companies' annual reports/financial statements, CRISIL intelligence

Phoenix and ACRE are the only private ARCs in the peer set that have witnessed continuous growth in their operating income during Fiscal 2022 to Fiscal 2024.

ARCIL has the highest average revenue from operations- excluding fair value changes realized on a standalone basis (as a % of average total AUM) among private ARCs with vintage in peer set during Fiscal 2022 to Fiscal 2024

Total Revenue from Operations (excluding fair value changes unrealized) on a standalone basis as a % of average total AUM

Players		Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	AVG (Fiscal 2022-2024)
Private ARCs with vintage	ARCIL	4.72%	3.35%	3.63%	2.98%	3.90%
	Edelweiss ARC	2.99%	2.50%	2.74%	6.03%	2.74%
	Phoenix	2.45%	2.86%	4.13%	NA	3.15%
	JM Financial ARC	5.51%	2.06%	3.32%	NA	3.63%
	ACRE	3.40%	3.20%	3.12%	NA	3.24%
New Private ARC	Omkara	4.70%	3.47%	4.74%	NA	4.30%
Govt Backed ARC	NARCL	0.00%	0.77%	1.95%	NA	0.91%

Note: Total operating income (as a % of AUM) in a given year is calculated by dividing total operating income by Avg. of AUM of current & previous years; NA: Not Available (2025 numbers are available for a few companies only)
Source: Company reports/Companies' Credit Rating reports, CRISIL intelligence

However, Phoenix is the only private ARC that witnessed an increasing level of total operating income (as a % of average total AUM) during Fiscal 2022-24.

ARCIL has the highest average investment income on a standalone basis (as a % of average total AUM) among all the ARCs in the peer set during Fiscal 2022 to Fiscal 2024

Investment income (Fair value changes-Realized and Other operating income) on a standalone basis as a % of average total AUM

Players		Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	AVG (Fiscal 2022-2024)
Private ARCs with vintage	ARCIL	2.86%	2.01%	2.35%	1.82%	2.41%
	Edelweiss ARC	0.53%	0.48%	1.10%	4.27%	0.71%
	Phoenix	0.11%	0.10%	0.90%	NA	0.37%
	JM Financial ARC	2.97%	0.16%	0.76%	NA	1.32%
	ACRE	0.75%	0.33%	1.00%	NA	0.69%
New Private ARC	Omkara	2.10%	-0.09%	0.36%	NA	0.79%
Govt Backed ARC	NARCL	NA	0.00%	0.00%	NA	0.00%

Note: Investment income as % of AUM of a given year is calculated as fair value changes (realized)+other operating income in a given financial year/Average of AUM of current and previous years; Fair value changes (net) was considered wherever realized vs unrealized split is not available – Omkara for all 3 Fiscals, ACRE for Fiscal 2022; NA: Not Available (2025 numbers are available for a few companies only)
Source: Companies' annual reports/financial statements, CRISIL intelligence

ARCIL recorded the highest average investment income of 2.41% (as a % of average total AUM) during Fiscal 2022 to Fiscal 2024 among all the ARCs in the peer set. ACRE, Phoenix and Edelweiss ARCs are the only ARCs in the peer set which witnessed a rise in their investment income levels (as a % of AUM) during Fiscal 2022 to Fiscal 2024. However, AUM of Edelweiss ARC was on a declining trend whereas ACRE and Phoenix could increase their levels despite net increase in AUM during this period.

The revenue profiles of Omkara, Phoenix, and ACRE are predominantly characterized by fee-based and commission-driven income streams

Fee and commission income (on a standalone basis) as a % of average total AUM

Players		Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	AVG (Fiscal 2022-2024)
Private ARCs with vintage	ARCIL	1.75%	1.15%	1.14%	1.07%	1.34%
	Edelweiss ARC	2.26%	1.84%	1.38%	1.44%	1.83%
	Phoenix	2.22%	2.61%	3.04%	NA	2.63%
	JM Financial ARC	1.41%	1.36%	1.89%	NA	1.55%
	ACRE	2.65%	2.87%	2.11%	NA	2.55%
New Private ARC	Omkara	2.57%	3.55%	4.22%	NA	3.44%
Govt Backed ARC	NARCL	0.00%	0.77%	1.86%	NA	0.87%

Note: Fee and commission income as % of AUM of a given year is calculated as fee and commission income in a given financial year/Average of AUM of current and previous years; NA: Not Available (2025 numbers are available for a few companies only)
Source: Companies' annual reports/financial statements, CRISIL intelligence

ARCIL has the lowest expenses (on avg. basis during Fiscal 2022 to 2024) on a standalone basis among all the private ARCs in the peer set

Total Expenses (on a standalone basis) of top 7 ARCs based on AUM (as of March 31, 2024)

(Amount in ₹ Million)

Players		Total Expenses				
		Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	AVG (Fiscal 2022-2024)
Private ARCs with vintage	ARCIL	**853.40**	**535.68**	**898.45**	**1,094.48**	**762.51**
	Edelweiss ARC	5,563.07	5,716.46	5,909.11	3,544.53	5,729.55
	Phoenix	723.43	527.61	1,328.10	NA	859.71
	JM Financial ARC	2,808.10	2,896.40	3,443.10	2,140.20	3,049.20
	ACRE	1,728.92	2,172.10	2,208.29	NA	2,036.43
New Private ARC	Omkara	1,071.35	1,067.39	978.42	NA	1,039.05
Govt backed	NARCL	162.83	496.59	596.92	NA	418.78

Note: Total expenses exclude unrealized fair value changes (losses), tax related expenses and Security Receipts and Unrealized expenses written off; In case an ARC did not report/disclose any written off expense for a financial year, the same has been considered to be zero; NA: Not Available (2025 numbers are available for a few companies only)
Source: Company reports/Companies' Credit Rating reports, CRISIL intelligence

ARCIL recorded the lowest expenses (on a standalone basis) (as a % of average total AUM) in the peer set during Fiscal 2024

Total Expenses as a % of average total AUM

Players		Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	AVG (Fiscal 2022-2024)
Private ARCs with vintage	ARCIL	0.61%	0.35%	0.57%	0.68%	0.51%
	Edelweiss ARC	1.37%	1.48%	1.72%	1.53%	1.52%
	Phoenix	0.81%	0.49%	1.00%	NA	0.76%
	JM Financial ARC	2.55%	2.36%	2.45%	NA	2.46%
	ACRE	1.89%	2.07%	1.99%	NA	1.98%
New Private ARC	Omkara	2.24%	1.91%	1.94%	NA	2.03%
Govt Backed ARC	NARCL	N.M.	2.71%	0.86%	NA	1.79%

Total expenses (as a % of AUM) in a given year is calculated by dividing total expenses by Average of AUM of current and previous years (except for Fiscals 2022 and 2023 of NARCL); Excluded unrealized fair value changes (losses), and technical write offs under total expenses; NA: Not Available (2025 numbers are available for a few companies only); N.M: Non-Measurable as AUM for Fiscal 2022 for NARCL is Nil
Source: Company reports/Companies' Credit Rating reports, CRISIL intelligence

ARCIL recorded the lowest average interest expenses on a standalone basis (as a % of average total AUM) during Fiscal 2022 to Fiscal 2024, among all private ARCs in the peer set

Interest expenses on a standalone basis as a % of average total AUM

Players		Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	AVG (Fiscal 2022-2024)
	ARCIL	0.06%	0.01%	0.03%	0.07%	0.03%

Players		Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	AVG (Fiscal 2022-2024)
Private ARCs with vintage	Edelweiss ARC	1.12%	1.16%	1.30%	1.03%	1.19%
	Phoenix	0.43%	0.43%	0.64%	NA	0.50%
	JM Financial ARC	2.10%	1.96%	2.09%	NA	2.05%
	ACRE	1.77%	1.76%	1.57%	NA	1.70%
New Private ARC	Omkara	1.35%	1.16%	1.08%	NA	1.20%
Govt Backed ARC	NARCL	0.00%	0.01%	0.02%	NA	0.01%

Note: NA: Not Available (2025 numbers are available for a few companies only); Interest expenses (as a % of AUM) in a given year are calculated by dividing that cost item by Average of AUM of current and previous years; In respect of ACRE, considered fees/commission (charged by parent company for subscribing ACRE NCDs) as a part of interest expenses
Source: Company reports/Companies' Credit Rating reports, CRISIL intelligence

ARCIL's notably low interest expenses underscore its effective management of debt. Furthermore, the company's strategic relationship with its primary sponsor, Avenue, provides an additional layer of support. Similarly, NARCL, another prominent ARC, also benefits from substantial backing from its major shareholders, comprising public sector banks that hold approximately 84% of its shares, thereby enhancing its financial stability and operational flexibility.

Edelweiss, ACRE and ARCIL exhibited a relatively lower sensitivity of their profits among all the ARCs in the peer set during Fiscal 2024 due to lesser dependence on unrealized gains and losses resulting from fair value adjustments

Fair Value Changes (unrealized) (on a standalone basis) as a % of average total AUM

Players		Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	AVG (Fiscal 2022 -Fiscal 2024)
Private ARCs with vintage	ARCIL	0.69%	-1.61%	0.16%	-0.74%	-0.25%
	Edelweiss ARC	0.32%	-0.11%	-0.50%	-0.82%	-0.10%
	Phoenix	0.39%	0.29%	0.71%	NA	0.46%
	JM Financial ARC	0.87%	1.38%	1.47%	NA	1.24%
	ACRE	NA	-0.27%	0.10%	NA	-0.09%
New Private ARC	Omkara	NA	NA	NA	NA	NA
Govt Backed ARC	NARCL	NA	0.00%	-1.50%	NA	-0.75%

Note: NA: Not Available (2025/2022 numbers are available for a few companies only); Fair Value Changes -unrealized (as a % of AUM) in a given year is calculated by dividing that item by Average of AUM of current and previous years; Here -ve indicates unrealized gains and +ve indicates unrealized losses.
Source: Company reports/Companies' Credit Rating reports, CRISIL intelligence

ARCIL recorded the second fastest PAT growth on a standalone basis during Fiscal 2022 to 2024 among all ARCs in the peer set

PAT (on a standalone basis) of top 7 ARCs based on AUM (as of March 31, 2024)

(Amount in ₹ Million)

Players		Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	CAGR (Fiscal 2022-2024)
Private ARCs with vintage	**ARCIL**	**1,434.88**	**2,391.24**	**3,053.41**	**3,553.19**	**45.88%**
	Edelweiss ARC	2,526.72	3,183.93	3,551.95	3,850.61	18.56%
	Phoenix	801.50	1,694.42	2,091.99	NA	61.56%
	JM Financial ARC	1,719.00	-1,549.30	-9,424.40	-297.90	N.M.
	ACRE	1,052.56	1,141.33	892.71	NA	-7.91%
New Private ARC	Omkara	872.07	727.71	1,065.82	NA	10.55%
Govt Backed ARC	NARCL	-58.85	282.41	1,621.82	NA	N.M.

Note: NA: Not Available (2025/2022 numbers are available for a few companies only); N.M.: Non-Measurable as there are losses in either beginning/ending year used for CAGR calculation
Source: Companies' annual reports/Financial statements/Credit Rating reports, CRISIL intelligence

Edelweiss ARC is the most profitable ARC in India during Fiscal 2024 with a PAT of ₹ 3,551.95 million. ARCIL is the second most profitable ARC in India during Fiscal 2024 with a PAT of ₹ 3,053.42 million on a standalone basis.

ARCIL recorded the highest PAT on a standalone basis (as % of average total AUM) among private ARCs with vintage in the peer set during Fiscal 2024

ARCIL recorded PAT levels of 1.94% (as a % of average total AUM) in Fiscal 2024 as compared to 1.03% in Fiscal 2022 and 1.58% in Fiscal 2023, thereby showcasing a continuously improving trend. Phoenix recorded the second highest PAT level of 1.57% (as a % of average total AUM) among ARCs with vintage. Omkara recorded the highest PAT level of 2.11% (as % of average total AUM) as of Fiscal 2024 among the private ARCs.

PAT (on a standalone basis) as a % of AUM of top 7 ARCs based on AUM (as of March 31, 2024)

Players		Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	AVG (Fiscal 2022 -2024)
Private ARCs with vintage	ARCIL	1.03%	1.58%	1.94%	2.22%	1.52%
	Edelweiss ARC	0.62%	0.82%	1.03%	1.66%	0.83%
	Phoenix	0.89%	1.56%	1.57%	NA	1.34%
	JM Financial ARC	1.56%	-1.27%	-6.72%	NA	-2.14%
	ACRE	1.15%	1.09%	0.80%	NA	1.01%
New Private ARC	Omkara	1.82%	1.30%	2.11%	NA	1.75%
Govt Backed ARC	NARCL	N.M.	1.54%	2.34%	NA	1.94%

Source: Company reports/Companies' Credit Rating reports, CRISIL intelligence; N.M.: Non-Measurable as AUM for Fiscal 2022 for NARCL is Nil.
Note: NA: Not Available (2025/2022 numbers are available for a few companies only)

ARCIL has the lowest leverage ratios (on a standalone basis) and best capitalization profiles among all private ARCs in the peer set during Fiscal 2022 to Fiscal 2024

NARCL has consistently maintained a Debt-to-Equity Ratio (DER) of zero during the period Fiscal 2022 to Fiscal 2024, reflecting complete absence of debt dependence, which is attributable to the robust equity support provided by its Public Sector Bank (PSB) shareholders. ARCIL has the lowest debt to equity ratio amongst the private ARCs in the peer set as of March 31, 2024. ARCIL has also exhibited a notable strength in maintaining a low debt profile, boasting the lowest debt levels among private ARCs despite its over two-decade-long presence in the industry. This achievement underscores the robust support and backing provided by its sponsor, which has enabled the company to uphold a prudent capital structure and minimize its reliance on debt, thereby ensuring a prudent capital structure.

Debt/Equity (standalone basis) & CRAR of top 7 ARCs based on AUM (as of March 31, 2024)

Players		Debt/Equity					CRAR levels			
		March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025	AVG (March 31, 2022- March 31, 2024)	March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025
Private ARCs with vintage	ARCIL	0.06	0.05	0.06	0.11	0.06	101.90%	95.82%	99.03%	90.59%
	Edelweiss ARC	1.34	1.04	0.63	0.35	1.00	30.00%	47.10%	60.30%	90.50%
	Phoenix	1.24	1.26	1.16	NA	1.22	NA	38.46%	39.22%	NA
	JM Financial ARC	1.38	2.03	4.76	1.31	2.72	38.56%	24.67%	2.91%	31.90%
	ACRE	3.23	2.91	1.77	NA	2.64	NA	14.76%	24.30%	NA
New Private ARC	Omkara	2.29	1.77	1.00	NA	1.69	28.74%	33.23%	47.41%	NA
Govt Backed ARC	NARCL	0.00	0.00	0.00	NA	0.00	NA	190.00%	143.00%	NA

Note: NA: Not Available (2025/2022 numbers are available for a few companies only)
Source: Companies' annual reports/Financial statements/Credit Rating reports, CRISIL intelligence

ARCIL's low DER levels also indicates significant headroom to increase leverage for further growth in future especially considering the fact that increasing Retail and SME deals are 100% cash based only. This can also potentially drive-up RoE for ARCIL.

ARCIL's capital adequacy ratio is significantly higher than other private ARCs in the peer set, approximately 40% above the next highest private ARC as of March 31, 2024. This substantial margin underscores the company's robust ability to generate returns from its core business operations, as well as the strong backing and support provided by its primary sponsor.

ARCIL recorded the highest RoA on a standalone basis in the peer set in Fiscal 2024

ARCIL emerged as the top performer in the industry peer set, achieving the highest Return on Assets (RoA) among all ARCs in the peer set in Fiscal 2024. Closely following ARCIL's lead, Phoenix posted an impressive RoA of 10.4% in in Fiscal 2024.

Total Assets and Return on Assets on a standalone basis of top 7 ARCs based on AUM (as of March 31, 2024)

(Amount in ₹ Million)

Players		Total Assets				Return on Assets				
		As of March 31, 2022	As of March 31, 2023	As of March 31, 2024	As of March 31, 2025	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	Avg (Fiscal 2022 -2024)
Private ARCs with vintage	ARCIL	23,435.05	25,237.96	27,953.36	32,638.16	6.13%	9.83%	11.48%	11.73%	9.15%
	Edelweiss ARC	60,788.45	59,469.03	53,584.07	49,739.23	4.21%	5.30%	6.28%	7.45%	5.26%
	Phoenix	13,325.57	17,751.11	22,377.85	NA	6.72%	10.90%	10.43%	NA	9.35%

Players		Total Assets				Return on Assets				
		As of March 31, 2022	As of March 31, 2023	As of March 31, 2024	As of March 31, 2025	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	Avg (Fiscal 2022 -2024)
	JM Financial ARC	41,001.40	47,110.60	35,284.70	27,192.30	4.14%	-3.52%	-22.88%	-0.95%	-7.42%
	ACRE	23,134.27	24,927.00	20,688.96	NA	5.07%	4.75%	3.91%	NA	4.58%
New Private ARC	Omkara	12,041.25	11,723.62	10,639.18	NA	8.34%	6.12%	9.53%	NA	8.00%
Govt Backed ARC	NARCL	14,110.89	14,485.01	29,967.41	NA	-0.42%	1.98%	7.30%	NA	2.95%

Note: RoA is calculated as PAT as % of Average assets for current and previous year (except for NARCL 2022);
Source: Companies' financial statements/annual reports/ Credit Rating reports, CRISIL intelligence; NA: Not Available (2025/2022 numbers are available for a few companies only)

Edelweiss ARC and ARCIL are the top two private ARCs in the peer set in terms of net worth on a standalone basis as of March 31, 2024; But Phoenix and Omkara recorded the highest return on equity

ARCIL is the second largest private ARC in India (in terms of net worth) with a net worth of ₹ 24,625.11 million (on a standalone basis) as of March 31, 2024.

In October 2022, RBI raised minimum capital requirement for ARCs from ₹ 1 Billion to ₹ 3 Billion and existing ARCs must achieve a Net Owned Funds of ₹ 2 Billion by March 31, 2024 and ₹ 3 Billion by March 2026. ARCIL was one of the few ARCs having Net Owned Fund in excess of such regulatory requirement] in October 2022 itself. Even as of March 31, 2024, only 9 out of 27 ARCs, namely ARCIL, Edelweiss ARC, JM Financial, Phoenix, ACRE, Omkara, NARCL, CFM, and Pegasus, met this eligibility criteria.

Similarly, in October 2022, RBI permitted ARCs with a Net Owned Fund of more than ₹ 10 Billion to act as a 'resolution applicant' under the IBC. ARCIL is one of the 4 ARCs (NARCL, JM Financial ARC, and Edelweiss ARC being the other three) with Net Owned Funds in excess of such regulatory requirement in October 2022 itself. As of March 31, 2024, ARCIL remains as one of the four ARCs which met this criterion.

Net-Worth and RoE on a standalone basis of top 7 ARCs based on AUM (as of March 31, 2024)

(Amount in ₹ Million)

Players		Net worth				Return on Equity				
		As of March 31, 2022	As of March 31, 2023	As of March 31, 2024	As of March 31, 2025	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	AVG (Fiscal 2022-2024)
Private ARCs with vintage	ARCIL	20,336.10	22,397.43	24,625.11	27,677.98	7.31%	11.19%	12.99%	13.59 %	10.50%
	Edelweiss ARC	24,756.55	27,941.28	31,498.54	35,348.79	10.76%	12.08%	11.95%	11.52 %	11.60%
	Phoenix	5,491.55	7,186.44	9,278.05	NA	15.74%	26.73%	25.41%	NA	22.63%
	JM Financial ARC	16,860.40	15,330.90	5,923.40	11,601.20	10.75%	-9.63%	-88.68%	-3.40%	-29.19%
	ACRE	5,082.40	6,013.94	6,623.01	NA	22.65%	20.57%	14.13%	NA	19.12%
New Private ARC	Omkara	3,355.24	4,055.34	5,091.26	NA	32.64%	19.64%	23.31%	NA	25.20%
Govt Backed ARC	NARCL	14,031.80	14,314.21	29,345.93	NA	-0.42%	1.99%	7.43%	NA	3.00%

Note: (*) JM Financials net worth position improved after the rights issue post Fiscal 2024; NA: Not Available (2025 numbers are available for a few companies only)
Source: Companies' financial statements/annual reports/ Credit Rating reports, CRISIL intelligence

Omkara, Phoenix, and ACRE delivered returns on equity (RoE) of approximately 20% during the period Fiscal 2022 to Fiscal 2024. But DER levels of these 3 ARCs is relatively much higher (avg. DER > 1 during Fiscal 2022 to Fiscal 2024) than ARCIL. However, ARCIL is the only private ARC to deliver growing RoE every year continuously from Fiscal 2022 despite lowest DER levels among the top private ARCs.

ARCIL has the lowest cost of borrowings on a standalone basis among all the private ARCs in the peer set during Fiscal 2022 to Fiscal 2024

ARCIL stands out among private ARCs for its exceptionally low dependence on debt, a testament to the robust support provided by its sponsor. This is further reinforced by the company's limited utilization of its credit limits with banks. Moreover, borrowings of ARCIL are made for short periods only. These factors indicate a prudent approach to debt management and a reduced reliance on external borrowing. The strong backing of its sponsor has enabled ARCIL to maintain a conservative capital structure, minimizing its exposure to debt and associated risks.

Borrowings & Cost of Borrowing on a standalone basis of top 7 ARCs based on AUM (as of March 31, 2024)

(Amount in ₹ Million)

Players		Borrowing					Cost of Borrowing				
		As of March 31, 2022	As of March 31, 2023	As of March 31, 2024	As of March 31, 2025	AVG (March 31, 2022 ro March 31, 2024)	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	AVG (Fiscal 2022 - 2024)
Private ARCs with vintage	ARCIL	1,268.74	1,180.13	1,499.47	3,059.86	1,316.11	3.72%	1.31%	2.99%	4.97%	2.67%
	Edelweiss ARC	33,273.28	29,168.97	19,743.61	12,363.84	27,395.29	13.13%	14.33%	18.22%	14.81%	15.23%
	Phoenix	6,823.80	9,035.26	10,764.87	NA	8,874.64	6.38%	5.84%	8.64%	NA	6.95%
	JM Financial ARC	23,233.10	31,179.30	28,197.60	15,177.20	27,536.67	9.42%	8.83%	9.87%	8.82%	9.37%
	ACRE	16,399.93	17,494.94	11,732.63	NA	15,209.16	11.13%	10.89%	11.89%	NA	11.30%
New Private ARC	Omkara	7,691.71	7,192.09	5,066.93	NA	6,650.24	9.09%	8.66%	8.87%	NA	8.88%
Govt Backed ARC	NARCL	0.0	0.0	0.0	NA	0.0	0.00%	0.00%	0.00%	NA	0.00%

Note: Cost of Borrowing: Total Interest expenses as % of Average Borrowing for current and previous year; For calculation of cost of borrowings of ACRE, considered fees/commission (charged by parent company for subscribing ACRE NCDs) as a part of interest expenses; NA: Not Available (2025 numbers are available for a few companies only)
Source: Companies' financial statements/annual reports/ Credit Rating reports, CRISIL intelligence

ACRE followed by ARCIL recorded the highest cumulative SR redemption rates in the peer set as of March 31, 2024

The significantly higher Security Receipt (SR) redemption rates achieved by ACRE, ARCIL, and Edelweiss ARC demonstrate their underwriting and recovery capabilities.

Cumulative SR Redemption rate% of top 7 ARCs based on AUM (as of March 31, 2024)

Players		March 31, 2022	March 31, 2023	March 31, 2024
Private ARCs with vintage	ARCIL	45.13%	45.42%	51.31%
	Edelweiss ARC	45.0%	45.8%	50.0%
	Phoenix	41.5%	44.6%	49.0%
	JM Financial ARC	40.0%	46.0%	39.0%
	ACRE	NA	43.0%	54.0%
New Private ARC	Omkara	NA	NA	NA
Govt Backed ARC	NARCL	NA	NA	10.6%

Note: For cumulative SR Redemption rate (i.e. cumulative SRs redeemed till end of a Fiscal / cumulative SRs issued till end of that Fiscal), wherever data not available in March, taken it from other Quarter in that year; NA: Not Available (2025/2022 numbers are available for a few companies only); only ARCIL's 2023 and 2024 numbers are captured upto 2 decimals
Source: Company reports/Companies' Credit Rating reports, CRISIL intelligence

Redemption of a higher proportion of SRs enables an ARC to generate better returns for their investors and stakeholders.

ARCIL and Phoenix are the only two ARCs in the peer set to increase their own investment continuously (on a standalone basis) during Fiscal 2024

Investment (on a standalone basis) of top 7 ARCs based on AUM (as of March 31, 2024)

(Amount in ₹ Million)

Players		Investment			
		As of March 31, 2022	As of March 31, 2023	As of March 31, 2024	As of March 31, 2025
Private ARCs with vintage	ARCIL	13,836.28	17,769.62	20,623.94	27,716.51
	Edelweiss ARC	47,485.30	44,393.80	42,659.63	31,515.60
	Phoenix	11,586.31	15,316.97	19,753.31	NA
	JM Financial ARC	30,687.70	36,223.30	24,712.60	18,810.70

Players		Investment			
		As of March 31, 2022	As of March 31, 2023	As of March 31, 2024	As of March 31, 2025
	ACRE	21,724.21	23,039.98	17,046.67	NA
New Private ARC	Omkara	11,694.28	11,365.02	10,170.71	NA
Govt Backed ARC	NARCL	0.00	5,496.89	18,526.47	NA

Source: Company reports/Companies' Credit Rating reports, CRISIL intelligence
Note: NA: Not Available (2025 numbers are available for a few companies only)

Credit rating (Latest Available Ratings) of top 7 ARCs based on AUM (as of March 31, 2024)

Players		Long term Credit Rating (Latest)	Date of Report
Private ARCs with vintage	ARCIL	ICRA AA-	20th March, 2025
	Edelweiss ARC	CARE A/CARE PPMLD A	11th February, 2025
	Phoenix	Crisil AA/Stable	6th November, 2024
	JM Financial ARC	Crisil AA-/Stable	8th April, 2025
	ACRE	CRISIL A+/Stable	2nd May, 2024
New Private ARC	Omkara	IVR A/Stable	20th August, 2024
Govt Backed ARC	NARCL	CRISIL AAA/Stable	31st January, 2025

Source: Company reports/Companies' Credit Rating reports, CRISIL intelligence

In respect of credit rating reports pertaining to JM Financial ARC and Phoenix, the rating agencies emphasized more on the financial, operational, and management support provided by their parent companies, JM Financial and Kotak, respectively, and highlighted about the operational synergies between these ARCs and their parent organizations. In respect of ARCIL, the rating agency's commentary focused more on the company's track record along with the operational support provided by its sponsor.

The above comparison indicates that ARCIL with its total asset size and experience, is well positioned as a key player in the asset reconstruction industry to resolve issues relating to stressed assets, with a focus on managing the assets and reaching optimal solutions for all stakeholders wherever possible.

OUR BUSINESS

Some of the information in this section, including information with respect to our business plans and strategies, contains forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 38 for a discussion of the risks and uncertainties related to those statements and "Risk Factors", "Restated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages40, 248 and 372, respectively, for a discussion of certain factors that may affect our business, results of operations, financial condition or cash flows. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our Company's financial year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular fiscal year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Financial Information included in this Draft Red Herring Prospectus, which includes our Restated Consolidated Financial Information as well as our Restated Standalone Financial Information for Fiscals 2023, 2024 and 2025. For further information, see "Restated Financial Information" on page 248. Also see, "Definitions and Abbreviations" on page 1 for certain terms used in this section. Unless otherwise stated or the context otherwise requires, references in this section to "we", "us", or "our" are to Asset Reconstruction Company (India) Limited on a consolidated basis, while "our Company" or "the Company" are to Asset Reconstruction Company (India) Limited on a standalone basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Analysis of Asset Reconstruction Industry in India" dated July, 2025 (the "**CRISIL Report**") prepared and issued by CRISIL Limited, appointed by us pursuant to an engagement letter dated March 11, 2025 and exclusively commissioned and paid for by us to enable investors to understand the industry in which we operate in connection with the Offer. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular Calendar Year/ Fiscal refers to such information for the relevant Calendar Year/ Fiscal. A copy of the CRISIL Report shall be available on the website of our Company from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date. For further information, see "Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the industry report titled "Analysis of Asset Reconstruction Industry in India" which is a paid report and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 61. Further, while we operate across three business verticals of Corporate loans, SME and Other loans and Retail loans, we classify the stressed assets that we acquire based on the resolution mechanism we employ which are subject to our internal assessments. However, the CRISIL Report classifies the industry into Corporate/ Large borrower, MSME and Retail loans on the basis of classification done by the RBI. Also see, "Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data –Industry and Market Data" on page 36.*

Overview

We are an asset reconstruction company ("**ARC**") operating across India and are engaged in the business of acquiring stressed assets from banks and financial institutions and implementing resolution strategies through restructuring, enforcement of rights on underlying securities and settlement aimed at maximizing recovery and optimizing the value of such stressed assets in order to generate revenue streams. We are pioneers in the asset reconstruction industry since we were the first ARC to be incorporated in India *(Source: CRISIL Report)* having obtained our certificate of registration to commence our operations on August 29, 2003 from the Reserve Bank of India ("**RBI**") pursuant to the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("**SARFAESI Act**"). We completed our first acquisition of stressed assets in December 2003 and have been operating for over two decades.

We were the second most profitable ARC in India during Fiscal 2024 with a profit for the year of ₹ 3,053.41 million on a standalone basis and were the second largest ARC in India in terms of assets under management ("**AUM**") with an AUM of ₹ 152,300.31 million, as of March 31, 2024. *(Source: CRISIL Report)* We had the second largest net worth among private ARCs in India with a net worth of ₹ 24,625.11 million on a standalone basis, as of March 31, 2024. *(Source: CRISIL Report)* With a total revenue from operations (excluding fair value changes unrealized) of ₹ 5,701.41 million on a standalone basis in Fiscal 2024, we were the second largest ARC in India in terms of total revenue from operations (excluding fair value changes unrealized) on a standalone basis in Fiscal 2024. *(Source: CRISIL Report)* We operate across the country through a network of 13 offices across 12 states (including Delhi) and employ 193 personnel, as of March 31, 2025. As of March 31, 2025, we worked with 201 registered valuers, 163 collection agents and had 950 lawyers empanelled with us.

Our first mover advantage in the asset reconstruction industry in India and long operating history has equipped us to navigate the evolving regulatory landscape for asset reconstruction and securitisation in India, providing us significant competitive advantages. For example, the RBI required all ARCs in India in October 2022 to maintain a minimum Net Owned Fund of ₹ 3,000.00 million by March 31, 2026. Our Company was one of the few ARCs with Net Owned Funds in excess of such regulatory requirement in October 2022 itself. *(Source: CRISIL Report)* Further, in October 2022, the RBI permitted ARCs with a Net Owned Fund of more than ₹ 10,000.00 million to act as a 'resolution applicant' under the Insolvency and Bankruptcy Code, 2016, as amended ("**IBC**"). Our Company was one of the four ARCs with a Net Owned Fund in excess of such amount in October 2022, *(Source: CRISIL Report)* which provided us another platform to acquire stressed assets as a resolution applicant beyond traditional resolution mechanisms and thereby further expand our AUM. According to the CRISIL Report, only four ARCs in India met such criteria as of March 31, 2024.

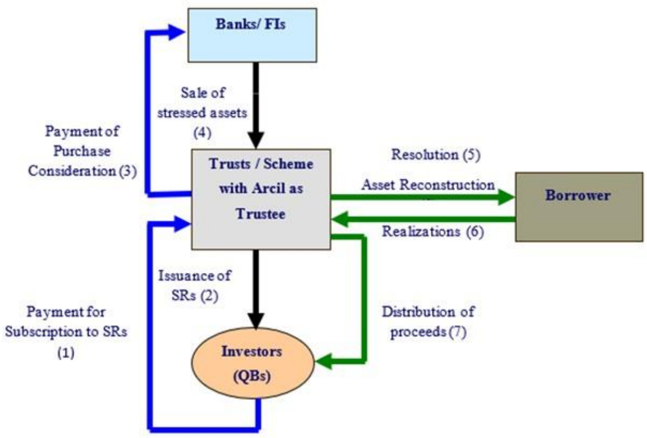
We operate across three business verticals - Corporate loans, SME and Other loans and Retail loans and classify the stressed assets that we acquire based on the resolution mechanism we employ which are subject to our internal assessments. We bid for stressed assets and deploy a mix of resolution and collection strategies, based on the nature of the underlying loan portfolio or the single credit stressed asset. As of March 31, 2025, we had acquired ₹ 726,573.07 million in total principal debt at a cost of ₹ 381,556.32 million or 52.51% of the total principal debt and had made recoveries of ₹ 284,597.73 million. We acquire both, single-credit and portfolios of stressed secured and unsecured assets from financial institutions and then restructure, resolve as well as employ collection strategies using various legal and data analytics mechanisms, thereby generating both, fee income and investment income for us. We have established strong relationships with banks and financial institutions which helps us in acquiring stressed assets and since our inception, we have worked with 30 private sector banks (including two erstwhile banks which have since been merged and nine foreign banks), two co-operative banks, 28 public sector banks (including 16 erstwhile public sector banks which have since been merged), 41 non-banking financial companies (including one erstwhile non-banking financial company which has since been merged), 17 housing finance companies (including one erstwhile housing finance company which has since been merged) and seven other selling institutions (four insurance companies and three financial institutions).

We have focused on increasing the proportion of Retail loans in our portfolio. We have been active in successfully acquiring and resolving retail loans since 2008 and SME and Other loans since inception by having created the required infrastructure including teams, processes, branches and technology, thereby providing us with a first-mover advantage. According to the CRISIL Report, the stressed assets opportunity is shifting from Corporate to Non-corporate loans with the retail segment in particular experiencing rising stress levels. The overall outstanding amount under the retail segment (including housing loans, vehicle loans, consumer loans, credit cards, educational loans, and personal loans) has grown at a CAGR of 15.7% over the last five years from approximately ₹ 32 trillion, as of March 31, 2020 to approximately ₹ 67 trillion as of March 31, 2025. *(Source: CRISIL Report)* The total stress under the retail segment in banks and NBFCs has increased from ₹ 3,469.5 billion in Fiscal 2020 to ₹ 6,924.5 billion in Fiscal 2025 at a CAGR of 14.8%. *(Source: CRISIL Report)* We have focused on increasing the proportion of Retail loans in our portfolio. The AUM of our Retail loans have grown from ₹ 15,591.07 million as of March 31, 2023 to ₹ 27,478.80 million as of March 31, 2025, at a CAGR of 20.79%. The following table sets forth details of our AUM across our business verticals as of the dates indicated:

Particulars	**March 31, 2025**		**March 31, 2024**		**March 31, 2023**	
	(₹ million)	**(% of AUM)**	**(₹ million)**	**(% of AUM)**	**(₹ million)**	**(% of AUM)**
Corporate loans	127,200.05	75.48%	119,564.02	78.51%	134,164.66	82.70%
SME and Other loans*	13,846.85	8.22%	13,313.33	8.74%	12,479.10	7.69%
Retail loans	27,478.80	16.31%	19,422.96	12.75%	15,591.07	9.61%
Total AUM	**168,525.70**	**100.00%**	**152,300.31**	**100.00%**	**162,234.83**	**100.00%**

- *SME and Other loans includes SME and other accounts based on internal assessment of resolution verticals.*

Banks and financial institutions typically sell stressed assets to us through a competitive bidding process. The process of acquiring, implementing resolution strategies through restructuring, enforcement of rights on underlying securities, settlement and realizing recoveries from stressed assets involves multiple steps as set forth in the following infographic:



1. The trust raises funds from qualified buyers ("**QBs**") which typically include banks, financial institutions, insurance companies, ARCs, mutual funds, eligible non-banking finance companies, housing finance companies, foreign institutional investors and any category of non-institutional investors permitted by RBI or any other body corporate permitted by SEBI. We are required to invest in the security receipts a minimum of either 15% of the transferors' investment in the security receipts or 2.5% of the total security receipts issued, whichever is higher, of each class of security receipts issued by us under each scheme, on an ongoing basis, until the redemption of all the security receipts issued under such scheme.

2. The trust issues security receipts to QBs for the investment made by them in the trust.

3. The trust makes payment of the purchase consideration to banks or financial institutions from which the stressed assets are being purchased.

4. Upon receipt of the purchase consideration, the stressed assets are assigned to the trust set up by us through an assignment agreement.

5. We undertake asset reconstruction by implementing resolution plans such as the re-scheduling of debt, settlement, enforcement of security interest and realization of dues through legal processes as well as collection strategies using technology and data analytics especially for retail stressed asset portfolios.

6. We realize money from the stressed assets which are assigned to the trust.

7. The money realized, after adjustment of outstanding fees and expenses, is distributed among the investors to the extent of their holding in the security receipts. As a trustee, we periodically share information with the holders of the security receipts and declare a net asset value ("**NAV**") in accordance with RBI Guidelines.

We acquire stressed assets through different structures:

- <u>Acquisitions where the bank or financial institution selling the stressed assets is not an investor:</u>

    - *Cash Acquisitions:* Cash acquisitions are deals where all the security receipts issued by the trust are subscribed to by us and all the returns of the trust belong to us. In such transactions, we primarily generate investment income, which is the upside over our acquisition cost.

    - *Co-Investor Acquisitions*: Co-investor acquisitions typically involve the subscription of security receipts by us and one or more QBs other than the seller of the stressed assets and the returns are shared by us in proportion of our holdings of the security receipts. In such transactions, we generate fee income which includes management fee, collection fee or resolution fee, from the Trust's cash flow on the AUM, as well as investment income on our capital invested.

- <u>Acquisitions where the bank or financial institution selling the stressed assets is an investor:</u>

    - *Ordinary Security Receipts Acquisitions:* ordinary security receipts acquisitions are deals where the security receipts are subscribed to by us and the seller of the stressed assets and the returns are shared by us in proportion of our holdings of the security receipts. In such transactions, we generate fee income which includes management fee, collection fee or resolution fee, from the trust's cash flow on the AUM, as well as investment income on our capital invested.

    - *Structured Acquisitions:* Structured acquisitions are similar to ordinary security receipts acquisitions where we and the seller of the stressed assets subscribe to the security receipts, except that there is a cap on the returns that we make in such transactions. In such transactions, we generate a larger portion of revenue through fee income which includes management fee, collection fee or resolution fee, from the trust's cash flow on the AUM and a small portion of revenue as investment income on the capital invested, subject to the cap on the IRR.

The following table sets forth details of our aggregate AUM by type of deal structure, as of March 31, 2025:

Particulars	March 31, 2025		March 31, 2024		March 31, 2023	
	(₹ million)	(% of AUM)	(₹ million)	(% of AUM)	(₹ million)	(% of AUM)
Acquisitions where the bank or financial institution selling the stressed assets is not an investor						
AUM of Cash Acquisitions	11,409.16	6.77%	9,615.94	6.31%	7,050.65	4.35%
AUM of Co-Investor Acquisitions	7,267.89	4.31%	8,110.13	5.33%	11,187.96	6.90%
Acquisitions where the bank or financial institution selling the stressed assets is an investor						

Particulars	March 31, 2025		March 31, 2024		March 31, 2023	
	(₹ million)	(% of AUM)	(₹ million)	(% of AUM)	(₹ million)	(% of AUM)
AUM of Ordinary Security Receipts Acquisitions	74,070.06	43.95%	77,768.86	51.06%	81,234.65	50.07%
AUM of Structured Acquisitions	75,778.58	44.97%	56,805.38	37.30%	62,761.57	38.69%
Total AUM	**168,525.70**	**100%**	**152,300.31**	**100%**	**162,234.83**	**100%**

In accordance with RBI Guidelines, security receipts that are held by us and not redeemed within a timeframe of eight years are required to be treated as loss assets and written-off in the books of investors. The following table sets forth details of our AUM by type of deal structure for those assets that have been acquired by us for less than eight years, as of March 31, 2025:

Particulars	March 31, 2025		March 31, 2024		March 31, 2023	
	(₹ million)	(% of AUM that have been acquired by us for less than eight years)	(₹ million)	(% of AUM that have been acquired by us for less than eight years)	(₹ million)	(% of AUM that have been acquired by us for less than eight years)
Acquisitions where the bank or financial institution selling the stressed assets is not an investor						
AUM of Cash Acquisitions	10,204.09	10.56%	8,383.21	10.57%	4,930.11	5.65%
AUM of Co-Investor Acquisitions	5,506.37	5.70%	6,398.40	8.07%	8,692.80	9.96%
Acquisitions where the bank or financial institution selling the stressed assets is an investor						
AUM of Ordinary Security Receipts Acquisitions	5,116.81	5.30%	7,722.47	9.74%	10,858.77	12.45%
AUM of Structured Acquisitions	75,778.58	78.44%	56,805.38	71.62%	62,761.57	71.94%
Total AUM for assets that have been acquired by us for less than eight years	**96,605.85**	**100.00%**	79,309.45	**100.00%**	87,243.25	**100.00%**

We have focused on having a greater share of the security receipts issued for the stressed assets that we acquire, which reflects our higher share of investments and risk appetite for these assets. The table below sets details of SRs issued by the trusts managed by us and our share of investment in the SRs:

(₹ million, unless otherwise specified)

Deal Structure	2025				2024				2023			
	Total SRs Issued by the trust managed by us	Our Investment	Our Investment as a % of Total SRs Issued by the trust managed by us (%)	Our Investment as a % of our Total Investment (%)	Total SRs Issued by the trust managed by us	Our Investment	Our Investment as a % of Total SRs Issued by the trust managed by us (%)	Our Investment as a % of our Total Investment (%)	Total SRs Issued by the trust managed by us	Our Investment	Our Investment as a % of Total SRs Issued by the trust managed by us (%)	Our Investment as a % of our Total Investment (%)
Cash Acquisitions	5,603.83	5,603.83	100.00%	43.73%	5,368.71	5,368.71	100.00%	56.81%	1,734.28	1,734.28	100.00%	21.24%
Co-Investor Acquisitions	754.70	224.13	29.70%	1.75%	521.05	130.03	24.95%	1.38%	3,791.30	101.30	2.67%	1.24%
Ordinary Security Receipts Acquisitions	296.00	44.40	15.00%	0.35%	1,400.00	280.00	20.00%	2.96%	919.50	183.90	20.00%	2.25%
Structured Acquisitions	33,104.18	6,942.52	20.97%	54.18%	13,400.07	3,670.95	27.39%	38.85%	36,444.54	6,147.14	16.87%	75.27%
Total	**39,758.71**	**12,814.89**	**32.23%**	**100.00%**	**20,689.82**	**9,449.68**	**45.67%**	**100.00%**	**42,889.62**	**8,166.62**	**19.04%**	**100.00%**

As of March 31, 2025, we had formed an aggregate of 652 trusts, of which 199 were closed where we had resolved all the financial assets in such trusts and 453 trusts are currently open.

We utilize various resolution strategies to maximize the potential of recovery from the stressed assets that we acquire depending on the type and structure of the stressed asset that we acquire. We pursue resolution mechanisms pursuant to the IBC; reaching mutual settlements with borrowers; restructure or reschedule outstanding debt; sell underlying assets pursuant to the SARFAESI Act and through the Debt Recovery Tribunal ("**DRT**").

We are a technology driven company and have implemented an information technology infrastructure to build a scalable and efficient operating model. We utilize proprietary platforms for asset tracking, case management and compliance monitoring. We use several tools to assist us with our due diligence functions including for valuing an asset, checking borrower history and the probability of recovery basis the underlying value of assets, revival of borrower business basis sustainable cashflows, and associated litigations.

Our Company is promoted by Avenue India Resurgence Pte. Ltd (an affiliate of Avenue Capital Group) and the State Bank of India, which are also identified as sponsors of the Company under the SARFAESI Act. Avenue Capital is a global investment firm headquartered in New York and is focused on specialty lending, opportunistic credit and other special situations investments in the United States, Europe and Asia. The State Bank of India is a major banking and financial services organization in India. Our operations are led by a professional management team with extensive domain expertise. Our Chief Executive Officer and Managing Director, Pallav Mohapatra, has over four decades of experience working with banks and managing stressed assets. For details of our directors and management team, see "*Our Management*" on page 212.

Our Strengths

India's First ARC with the second Largest AUM

Established in 2002, we have been a pioneer in the asset reconstruction industry and have an established track record of over two decades in the asset reconstruction industry in India:

- we were the first ARC to be incorporated in India *(Source: CRISIL Report)* having obtained our certificate of registration to commence our operations on August 29, 2003 from the RBI and completed our first acquisition of stressed assets in December 2003;
- we were the second largest ARC in India in terms of AUM, as of March 31, 2024, with an AUM of ₹ 152,300.31 million, as of March 31, 2024. *(Source: CRISIL Report)*;
- we were the second most profitable ARC in India during Fiscal 2024 with a profit after tax of ₹ 3,053.41 million on a standalone basis during Fiscal 2024. *(Source: CRISIL Report)*;
- we had the second largest net worth among private ARCs in India as of March 31, 2024 with a net worth of ₹ 24,625.11 million on a standalone basis, as of March 31, 2024. *(Source: CRISIL Report)*;
- we were the second largest ARC in India in terms of total revenue from operations (excluding fair value changes unrealized) on a standalone basis in Fiscal 2024, with a total revenue from operations (excluding fair value changes unrealized) of ₹ 5,701.41 million on a standalone basis, in Fiscal 2024. *(Source: CRISIL Report)*;
- we had recorded the lowest expenses on a standalone basis in Fiscal 2024 as a percentage of average total AUM as of March 31, 2024 among the top 7 ARCs in India (in terms of AUM as of March 31, 2024), with expenses on a standalone basis as a percentage of AUM of 0.57%. *(Source: CRISIL Report)*;
- we had the highest profit after tax on a standalone basis in Fiscal 2024 as a percentage of average total AUM as of March 31, 2024 among the top 7 ARCs in India with vintage, (in terms of AUM, as of March 31, 2024), with a profit after tax on a standalone basis as a percentage of AUM of 1.94%. *(Source: CRISIL Report)*;
- our capital adequacy ratio of 99.03% as of March 31, 2024 is significantly higher than other private ARCs in the top 6 private ARCs in India (in terms of AUM, as of March 31, 2024), i.e., approximately 40% above the next highest private ARC in India. *(Source: CRISIL Report)*;
- we had the highest return on assets on a standalone basis amongst the top 7 ARCs in India (in terms of AUM as of March 31, 2024) in Fiscal 2024, with a return on assets on a standalone basis of 11.48% in Fiscal 2024. *(Source: CRISIL Report)*;
- we had the second highest cumulative SR redemption rate amongst the top 7 ARCs in India (in terms of AUM, as of March 31, 2024) as of March 31, 2024, with a cumulative SR redemption rate of 51.31%. *(Source: CRISIL Report)*;
- we have the lowest debt to equity ratio on a standalone basis amongst top 6 private ARCs in India (in terms of AUM, as of March 31, 2024), as of March 31, 2024, with a debt to equity ratio on a standalone basis of 0.06 as of March 31, 2024. *(Source: CRISIL Report)*

Being the first ARC in India has helped us gain a better understanding of the evolving regulatory environment which enables us to comply with qualification criteria set forth by the RBI for the acquisition of stressed assets. When the RBI required all ARCs in October 2022 to maintain a minimum Net Owned Fund of ₹ 3,000.00 million by March 31, 2026, our Company was one of the few ARCs with Net Owned Funds in excess of such regulatory requirement in October 2022 itself. *(Source: CRISIL Report)* Further, in October 2022, when the RBI permitted ARCs with a Net Owned Fund of more than ₹ 10,000.00 million to act as a 'resolution applicant' under the IBC, our Company was one of the four ARCs with a Net Owned Fund in excess of such amount in October 2022 itself *(Source: CRISIL Report)* which enabled us to acquire stressed assets through another regulatory platform as a resolution applicant beyond the traditional resolution mechanisms and thereby further expand our AUM and grow our business.

Our market position has enabled us to benefit from economies of scale as we continue to add more stressed assets to our existing platform. During Fiscals 2025, 2024 and 2023, we acquired ₹ 39,758.71 million, ₹ 20,689.82 million and ₹ 42,889.62 million of stressed assets, respectively, and our AUM was ₹ 168,525.70 million as of March 31, 2025, ₹ 152,300.31 million as of March 31, 2024 and ₹ 162,234.83 million as of March 31, 2023. The portfolios that we acquire provide us with a large amount of historical data. We leverage this data to conduct deeper analysis of portfolios prior to acquisition, offering critical insights into performance trends, relevant risks, asset type performance and borrower behaviour. This analytical foundation enhances our ability to further acquire assets by supporting more informed decision-making, optimizing pricing strategies, and identifying value-creation opportunities early in the process.

Our portfolio is also diversified across Corporate, SME and Other loans, and Retail loans, which provides us with diverse income streams. With our total asset size and experience in the asset reconstruction business, we believe we are well positioned to resolve issues relating to stressed assets in India, with a focus on managing the assets and reaching optimal solutions for all stakeholders where possible.

Expertise in Acquiring Stressed Assets with increasing investment in SRs

We have developed expertise in acquiring stressed assets and follow a disciplined acquisition process with a view to acquire lower risk portfolios. We have implemented a comprehensive credit assessment and risk management framework to evaluate potential acquisitions, determine the recovery potential of the assets and manage risks inherent in our operations. We follow a structured approach of gathering, consolidating and analysing data for our credit assessment. We have invested in our information technology systems and implemented automated, digitized and other technology-enabled platforms and proprietary tools to assist us with credit assessment. For retail loans, we use data analytics to create scorecards for each borrower in conjunction with credit information companies ("**CIC**") scrubs in order to assist us with predicting the risk profile of borrowers, probability of recovery and over underwriting and resolution decision making. Our diligence to evaluate a portfolio includes legal due diligence to assess the enforceability of the security, conducting site visits to understand the value and marketability of the security and diligence on borrowers including analysis of the borrower's financials, business prospects and industry trends. For further details of diligence carried out evaluate portfolios, see "*- Description of our Business- Due Diligence Prior to Acquisition of Stressed Assets*" on page 180. Our IT systems collect data from various government backed databases, which enables us to conduct verification checks on borrowers. We believe that our extensive reach through our branch network and collection agents, experienced teams and familiarity with assessing underlying collateral gives us an advantage over our competitors in identifying, valuing and pricing stressed assets during the bidding process.

We have established strong relationships with banks and financial institutions which facilitates the acquisition of stressed assets. It also provides us access to QBs who invest in the trusts that we set up for the acquisition of stressed assets. Since our inception, we have worked with 30 private sector banks (including two erstwhile banks which have since been merged and nine foreign banks), two co-operative banks, 28 public sector banks (including 16 erstwhile public sector banks which have since been merged), 41 non-banking financial companies (including one erstwhile non-banking financial company which has since been merged), 17 housing finance companies (including one erstwhile housing finance company which has since been merged) and seven other selling institutions (four insurance companies and three financial institutions). We believe that this diversification gives us the ability to acquire stressed assets from a broad base of sellers, negotiate better terms and work with them as co-investors for certain of our acquisitions. The table below sets out details of stressed assets acquired as of the dates indicated:

Particulars	As of March 31, 2025	As of March 31, 2024	As of March 31, 2023
Total outstanding amount of stressed assets acquired (in ₹ million)	1,355,236.31	1,219,367.00	1,151,131.30
Principal outstanding amount of stressed assets acquired (in ₹ million)	726,573.07	645,645.42	605,521.48
SRs Issued by the trusts managed by us (in ₹ million)	381,556.32	341,797.61	321,107.79

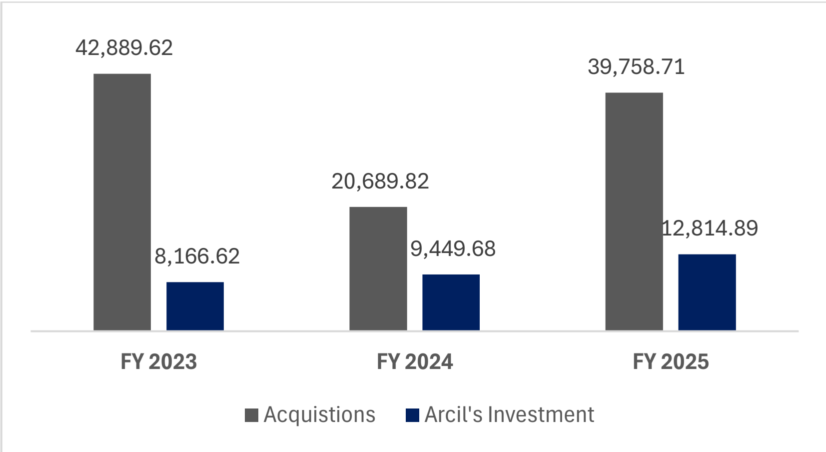
Our long-term focus on asset reconstruction activities has enabled us to develop expertise and know-how in structuring and executing complex transactions, which distinguishes us from many of our competitors who have a shorter history of acquiring stressed assets. We have structured innovative deals to acquire stressed assets and typically utilize different structures such as cash acquisitions, co-investor acquisitions, ordinary security receipts acquisitions and structured acquisitions. We undertake detailed engagement with sellers to understand their specific needs, pricing details, and the structure and timeline of the proposed transaction. The structure that we decide to utilize for an acquisition is determined on the basis of our diligence findings and commercial negotiations with the seller. We have to strike a balance between quoting a competitive price for target portfolios with our internal return requirements in order to win the bids we submit. The pricing of a deal depends on the structure and underlying risk-reward profile of a transaction and typically, we receive a higher discount for cash acquisitions and deals which involve a higher proportion of vintage assets and lower discounts for ordinary security receipts acquisitions and structured acquisitions. Set out below are details of our cost of acquisition on a cumulative basis for the years indicated:

As of March 31, 2025			As of March 31, 2024			As of March 31, 2023		
Principal Debt (in ₹ million)	Cost of Acquisition (in ₹ million)	% Cost of Acquisition	Principal Debt (in ₹ million)	Cost of Acquisition (in ₹ million)	% Cost of Acquisition	Principal Debt (in ₹ million)	Cost of Acquisition (in ₹ million)	% Cost of Acquisition
726,537.07	381,556.32	52.51%	645,645.42	341,797.61	52.94%	605,521.48	321,107.79	53.03%

We have focused on having a greater share of the security receipts issued for the stressed assets that we acquire, which reflects our higher share of investments and risk appetite for these assets. Our share of the total investment in the security receipts for the acquisitions we undertook during Fiscals 2025, 2024 and 2023 was 32.23%, 45.67% and 19.04%, respectively. Further, we typically fund asset acquisitions from the cash flows generated from our share of recovery from total collections.

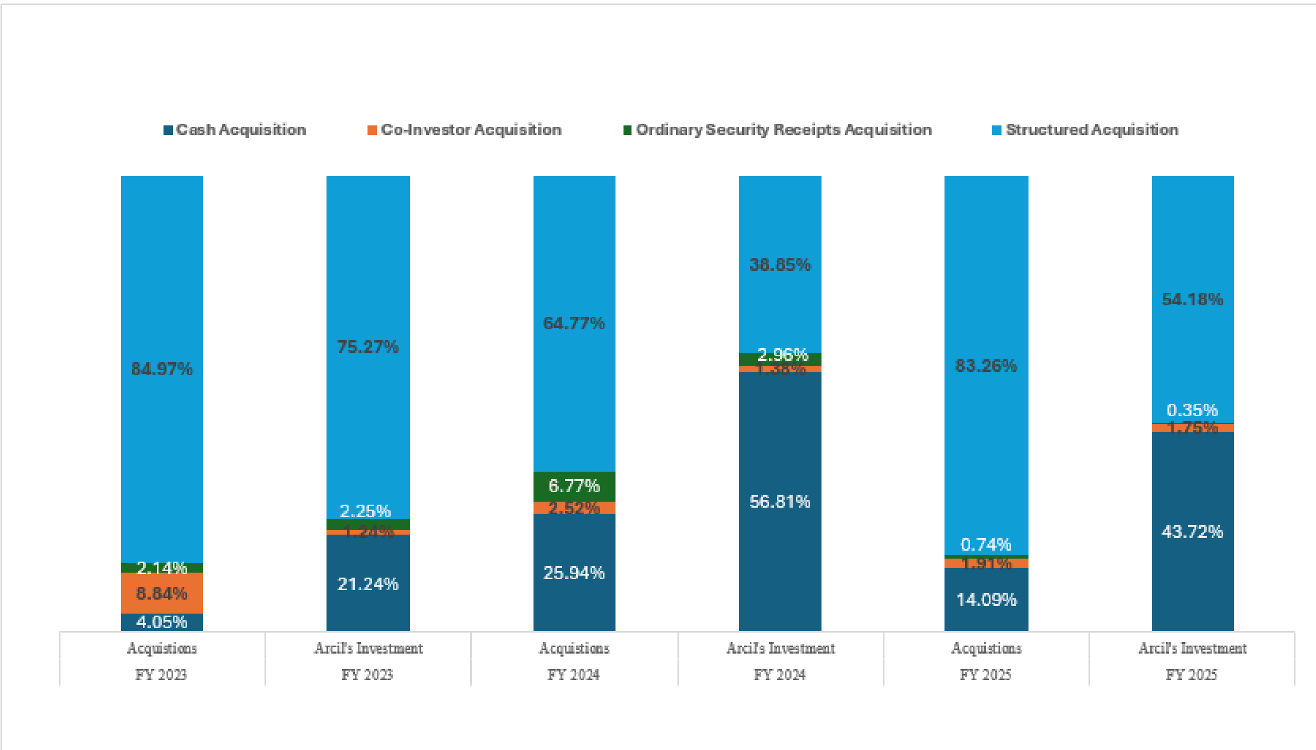
The following infographic sets forth details of our acquisitions during the Fiscals indicated:

(in ₹ million)



Note: Arcil's investment is our Company's share in acquisitions made during the relevant Fiscal.

The following infographic and table sets forth details of our acquisitions based on the deal structure we utilized:



Note: Arcil's investment is our Company's share in acquisitions made during the relevant Fiscal.

(₹ million, unless otherwise specified)

Deal Structure	Fiscal 2025				Fiscal 2024				Fiscal 2023			
	Total SRs Issued by the trust managed by us	**Our Investment**	**Our Investment as a % of Total SRs Issued by the trust managed by us**	**Our Investment as a % of our Total Investment**	**Total SRs Issued by the trust managed by us**	**Our Investment**	**Our Investment as a % of Total SRs Issued by the trust managed by us**	**Our Investment as a % of our Total Investment**	**Total SRs Issued by the trust managed by us**	**Our Investment**	**Our Investment as a % of Total SRs Issued by the trust managed by us**	**Our Investment as a % of our Total Investment**
Cash Acquisitions	5,603.83	5,603.83	100.00%	43.73%	5,368.71	5,368.71	100.00%	56.81%	1,734.28	1,734.28	100.00%	21.24%
Co-Investor Acquisitions	754.70	224.13	29.70%	1.75%	521.05	130.03	24.95%	1.38%	3,791.30	101.30	2.67%	1.24%
Ordinary Security Receipts Acquisitions	296.00	44.40	15.00%	0.35%	1,400.00	280.00	20.00%	2.96%	919.50	183.90	20.00%	2.25%
Structured Acquisitions	33,104.18	6,942.52	20.97%	54.18%	13,400.07	3,670.95	27.39%	38.85%	36,444.54	6,147.14	16.87%	75.27%
Total	**39,758.71**	**12,814.89**	**32.23%**	**100.00%**	**20,689.82**	**9,449.68**	**45.67%**	**100.00%**	**42,889.62**	**8,166.62**	**19.04%**	**100.00%**

The lower amount of acquisitions during Fiscal 2024 were on account of lower availability of stressed assets at attractive prices during such year, and the available stressed assets not meeting our risk-reward criteria of biding for stressed assets. However, our share of the total investments in the security receipts issued in Fiscal 2025 increased to 32.23% from 19.04% in Fiscal 2023.

Ability to Implement Resolution Strategies and a Robust Collections Framework

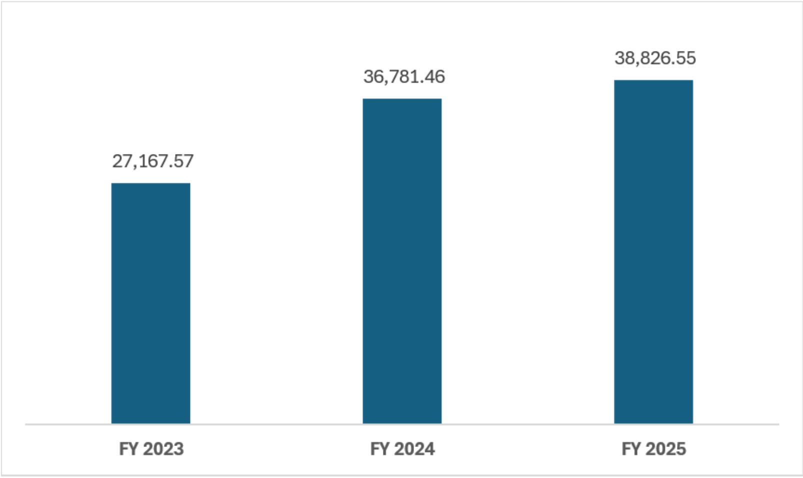
We utilize different resolution strategies targeted at maximizing the potential of recovery from the stressed assets we acquire. These primarily include pursuing resolution mechanisms pursuant to the IBC; reaching mutual settlements with borrowers for a negotiated amount after evaluating the probability of recovery; restructuring or rescheduling the debt payment of borrowers; selling underlying assets pursuant to the SARFAESI Act and through the DRT. Further, in certain cases where we undertake the restructuring of debt, we may also help with the induction of strategic investors with relevant industry expertise and financial strength to help revive and grow the stressed business. According to the CRISIL Report, the implementation of the IBC can be credited with many path-breaking changes in the insolvency resolution process. It tilted the power equation in favour of creditors from debtors, and helped strengthen India's insolvency resolution ecosystem. In addition, the IBC further enhanced our capacity to acquire stressed assets by acting as a 'resolution applicant', thus helping us grow our business. For further details of each of our resolution strategies, see "- *Management of Stressed Assets – Resolution Strategies"* on page 184.

We have established a robust collections framework and specialized collection teams for each of our three business verticals of Corporate loans, SME and Other loans and Retail loans. Our approach to our collections function is aimed at achieving optimal outcomes for ourselves and the borrowers. Our collections for Corporate and SME and Other loans are managed by our in-house teams where our dealing officers and in-house legal officers engage with borrowers to recover dues through restructuring negotiations or enforcement actions. For retail borrowers, we worked with over 163 collection agents as of March 31, 2025. We utilize a digital collections platform with loan collection workflow tools and data analytics tools for tracking and enhancing borrower communication, borrower segmentation, payment prioritization schedules and legal actions. We use data analytics and a prioritization model to segment and prioritize accounts based on the risk and potential for recovery to improve our collections efficiency.

We also collaborate with third-parties to improve the efficiency and reach of debt recovery efforts. Our presence through our offices in 12 states (including Delhi) together with our collaborations with external agencies allows us to monitor and manage our portfolios efficiently. It also allows us to send representatives to regularly inspect corporate stressed assets to help ensure that they are maintained properly and in condition for sale. We work with collection agencies, selling institutions, fintech platforms and local recovery agents who specialize in tracing defaulters, negotiating settlements, and ensuring timely repayments. By leveraging the local presence, technology and expertise of such agencies, we are able to enhance our recovery rates. We find such collaborations to be particularly useful for making recoveries from retail or micro-finance borrowers that form a part of geographically dispersed or high-volume loan portfolios, thereby allowing us to focus on managing our collections through a coordinated and professional network. We adhere to RBI's Fair Practice Code by conducting regular training sessions for our internal staff as well as those of third-party agencies. As of March 31, 2025, we worked with over 201 registered valuers, 163 collection agents and had over 950 lawyers empanelled with us.

The effectiveness of our collections framework is reflected in our increasing collections over the last three Fiscals as set out below:

(in ₹ million)



Our collections also results in the ability of the trusts managed by us to redeem SRs issued to qualified buyers. The table below sets out details of SR redemption by the trusts managed by us:

Particulars	As of March 31, 2025	As of March 31, 2024	As of March 31, 2023
Cumulative SRs Issued by the trusts managed by us (₹ million)	381,556.32	341,797.61	321,107.79
Cumulative Redemption by the trusts managed by us (₹ million)	197,619.10	175,385.99	145,851.29
Cumulative SR Redemption Ratio*	51.79%	51.31%	45.42%

* *Cumulative SR Redemption Ratio is cumulative Security Receipts redeemed by the trusts managed by the Company till last day of the relevant year divided by Cumulative Security Receipts issued by the trust managed by the Company till last day of the relevant year*

Track Record of Consistent Financial and Operational Performance

We have demonstrated a consistent track record of financial performance that is attributable to our focussed approach on profitable growth, strategic bidding, implementation of resolution strategies and ability to collect outstanding amounts. For details, see "*Restated Financial Information*" on page 248.

In accordance with RBI Guidelines, security receipts that are held by us and not redeemed within a timeframe of eight years are required to be treated as loss assets and written-off in the books of investors. However, the resolution of such stressed assets continues until the entire recovery proceeds are received. Hence, our AUM is bifurcated into more than eight years and less than eight years. During Fiscals 2025, 2024 and 2023, we made a recovery of ₹ 9,744.63 million, ₹ 8,519.95 million and ₹ 6,262.74 million against the AUM which was more than eight years, respectively.

The following table sets forth certain information for the years/ dates indicated:

(₹ million)

Particulars	As of March 31, 2025	As of March 31, 2024	As of March 31, 2023
AUM	168,525.70	152,300.31	162,234.83
- *Corporate loans*	127,200.05	119,564.02	134,164.66
- *SME and Other loans*	13,846.85	13,313.33	12,479.10
- *Retail loans*	27,478.80	19,422.96	15,591.07
Outstanding Security receipts held for less than eight years	96,605.85	79,309.45	87,243.25
Outstanding Security receipts held for more than eight years	71,919.85	72,990.86	74,991.58
Cumulative SR Redemption Ratio*	51.79%	51.31%	45.42%

* *Cumulative SR Redemption Ratio is is cumulative Security Receipts redeemed by the trusts managed by the Company till last day of the relevant year divided by Cumulative Security Receipts issued by the trust managed by the Company till last day of the relevant year.*

(₹ million unless otherwise indicated)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Total security receipts issued by the trusts managed by us for the year	39,758.61	20,689.82	42,889.62
Our share of investment in total security receipts issued by the trusts managed by us for the year	12,814.79	9,449.78	8,166.62
Our investment ratio	32.33%	45.67%	19.04%

** Our investment ratio is defined as our share of investment in total security receipts issued by the trusts managed by us for the year divided by the total security receipts issued by the trusts managed by us for the year, multiplied by 100.*

The following table sets forth details of the ageing of our AUM, as of March 31, 2025:

Particulars	AUM (₹ in million)	Our share in the AUM (₹ in million)
Up to 1 year	37,462.37	11,549.31
More than 1 year and up to 3 years	33,246.47	7,554.28
More than 3 years and up to 5 years	17,643.86	3,660.37
More than 5 years and up to 8 years	8,253.15	2,684.36
More than 8 years	71,919.85	7,534.69

The following table sets forth certain financial information of our Company on a restated and standalone basis for the years indicated:

Particulars	As of/for the year ended March 31, 2025	As of/for the year ended March 31, 2024	As of/for the year ended March 31, 2023
Revenue from operations (₹ million)	5,964.23	5,701.41	7,513.14
Fees and other income	1,719.08	1,788.71	1,734.55
Other operating income	1,922.53	823.38	1,635.17
Recovery of security receipts, unrealized fee and expenses (written off earlier)	1,000.32	2,874.74	1,408.98
Interest income	137.84	214.58	295.15
Net gain/(loss) on fair value changes	1,184.46	-	2,439.29
Total Income (₹ million)	6,233.99	5,741.06	7,537.11
Fees and other income as a percentage of Total Income (%)	27.58%	31.16%	23.01%
Other operating income as a percentage of Total Income (%)	30.84%	14.34%	21.69%
Other income (₹ million)	269.76	39.65	23.97
Impairment of Financial Instruments/ Financial Assets (₹ million)	38.93	23.90	(233.32)
Write off of Security Receipts, Unrealized Fee and Expenses (₹ million)	367.13	492.64	3,786.31
Finance Costs (₹ million)	113.31	40.06	15.98
Employee Benefits Expenses (₹ million)	609.42	556.60	547.78
Depreciation, Amortization and Impairment (₹ million)	21.53	19.32	21.41
Other Expenses (₹ million)	311.29	258.57	183.83
Net gain/(loss) on fair value changes (₹ million)	-	258.02	-
Profit for the year (PAT) (₹ million)	3,553.19	3,053.41	2,391.24
PAT Margin	57.00%	53.19%	31.73%
Average Net worth(1) (₹ million)	26,151.55	23,511.27	21,366.77
Debt to Equity(2) (in times)	0.11	0.06	0.05
Return on Average Equity(3) (%)	13.59%	12.99%	11.19%
Return on Average Total Assets(4) (%)	11.73%	11.48%	9.83%

Notes:

(1) Average Net Worth represents the simple average of Net Worth as of the last day of the relevant year and as of the last day of the preceding year. Where net worth is defined as the aggregate value of the paid - up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write - back of depreciation and amalgamation. Net worth is calculated as equity share capital plus Instrument entirely equity in nature plus other equity.

(2) Debt to Equity is calculated by dividing total debt (including both current and non-current borrowings and interest accrued but not due) as on year end by the net worth of the company for the year end.

(3) Return on Average Equity is calculated for the period divided by the average Net Worth. Average Net Worth represents the simple average of Net Worth as of the last day of the relevant year and as of the last day of the preceding year.

(4) Return on Average Total Assets is calculated for the relevant year divided by average Total Assets. Average total assets represent the simple average of total assets as of the last day of the relevant year and as of the last day of the preceding year.

The following table sets forth certain financial information of our Company on a restated and consolidated basis for the years indicated:

Particulars	As of/for the year ended March 31, 2025	As of/for the year ended March 31, 2024	As of/for the year ended March 31, 2023
Revenue from operations (₹ million)	5,817.55	6,058.24	8,091.94
Fees and other income	1,275.95	1,466.75	1,644.29
Other operating income	1,988.01	1,498.95	1,839.04
Recovery of security receipts, unrealized fee and expenses (written off earlier)	1,000.31	2,875.52	1,408.97
Interest income	206.59	217.01	352.12
Net gain on fair value changes	1,346.69	-	2,847.52

Particulars	As of/for the year ended March 31, 2025	As of/for the year ended March 31, 2024	As of/for the year ended March 31, 2023
Total Income (₹ million)	6,078.37	6,094.89	8,126.67
Fees and other income as a percentage of Total Income (%)	20.99%	24.07%	20.23%
Other operating income as a percentage of Total Income (%)	32.71%	24.59%	22.63%
Other income (₹ million)	260.82	36.65	34.73
Impairment of Financial Instruments/ Financial Assets (₹ million)	28.46	19.43	(233.80)
Write off of Security Receipts, Unrealized Fee and Expenses (₹ million)	367.13	492.64	3,786.34
Finance Costs (₹ million)	113.31	61.38	15.98
Employee Benefits Expenses (₹ million)	609.41	556.59	547.79
Depreciation, Amortization and Impairment (₹ million)	21.53	19.32	21.41
Other Expenses (₹ million)	626.94	559.56	125.66
Net gain/(loss) on fair value changes (₹ million)	-	238.55	-
Profit for the year (PAT) attributable to the Company (₹ million)	3,295.08	3,304.65	2,865.99
PAT Margin	54.21%	54.22%	35.27%
Average Net Worth(1) (₹ million)	25,448.27	23,353.35	21,337.71
Debt to Equity(2) (in times)	0.11	0.06	0.05
Return on Average Equity(3) (%)	12.95%	14.15%	13.43%
Return on Average Total Assets(4) (%)	8.18%	10.25%	10.80%

Notes:

(1) *Average Net Worth represents the simple average of Net Worth as of the last day of the relevant year and as of the last day of the preceding year. Where net worth is defined as the aggregate value of the paid - up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write - back of depreciation and amalgamation. Net worth is calculated as equity share capital plus Instrument entirely equity in nature plus other equity.*

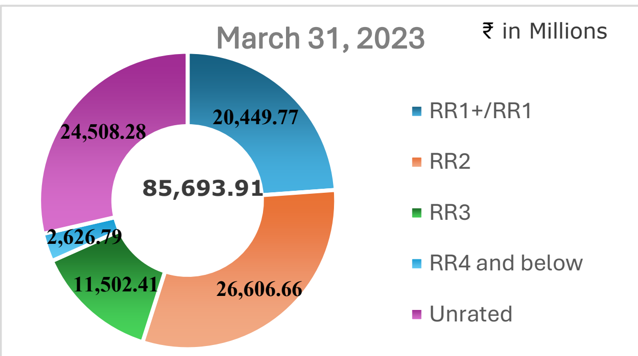
(2) *Debt to Equity is calculated by dividing total debt (including both current and non-current borrowings and interest accrued but not due) as on year end by the net worth of the company for the year end.*

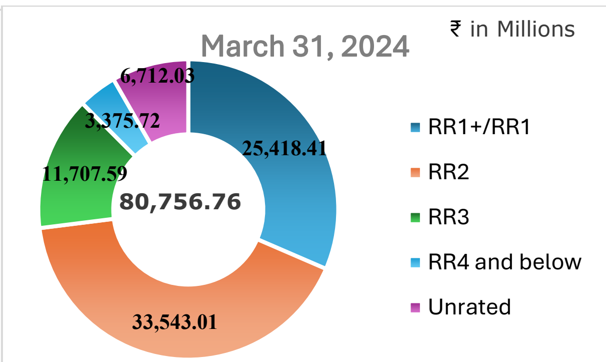
(3) *Return on Average Equity is calculated by dividing profit attributable to the Company for the period divided by the average Net Worth. Average Net Worth represents the simple average of Net Worth as of the last day of the relevant year and as of the last day of the preceding year.*

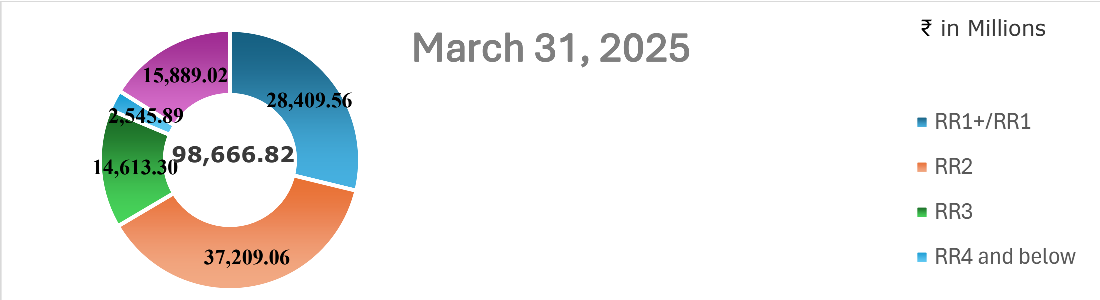
(4) *Return on Average Total Assets is calculated by dividing profit attributable to the Company for the relevant year divided by average Total Assets. Average total assets represent the simple average of total assets as of the last day of the relevant year and as of the last day of the preceding year.*

We have focussed on maintaining prudent financial management practices including risk management, cost optimization and capital allocation to create a financially stable business. Our financial strength is highlighted from a strong balance sheet characterized by a net worth of ₹ 27,677.98 million on a standalone basis and ₹ 26,631.41 million on a consolidated basis, as of March 31, 2025. Our net worth is driven by an increase in our retained earnings on a year on year basis. For details, see "*Restated Financial Information*" on page 248. Our Company had credit rating of ICRA 'AA- (Stable)' for bonds/NCD/LTD dated March 20, 2025.

The recovery rating ("**RR**") of security receipts is based on the probability of recovery and such rating is assigned to security receipts based on the net present value of the cash flows expected from the recovery strategy, stated as a percentage of the outstanding face value of the security receipts. The following pie-chart sets forth the details of the recovery ratings of the security receipts issued by us that were outstanding for less than eight years, as of March 31, 2025, March 31, 2024 and Mach 31, 2025:







Note: For SRs over 8 years, the ratings are compulsorily withdrawn based on guidelines prescribed by RBI, except in certain exceptional circumstances, as prescribed by the RBI. In accordance with the guidelines prescribed by RBI, the above table includes certain SRs, where the SRs issued by the trusts managed by us are over 8 years, but where the RBI guidelines allow for such SRs to be rated.

Set forth below are details of the recovery ratings assigned to the rated SRs issued by the trusts managed by us, as of the dates indicated:

Recovery Ratings	Percentage of outstanding rated AUM		
	As of March 31, 2025	As of March 31, 2024	As of March 31, 2023
RR1+(1)/RR1(2)	34.32%	34.33%	33.42%
RR2(3)	44.95%	45.30%	43.49%
RR3(4)	17.65%	15.81%	18.80%
RR4/ RR5(5)	3.08%	4.56%	4.29%
Total	**100.00%**	**100.00%**	**100.00%**
Unrated(6)	Rating is under process		

(1) RR1+: Indicates 150% and above recovery of outstanding face value of SRs.
(2) RR1: Indicates 100% to 150% recovery of outstanding face value of SRs.
(3) RR2: Indicates 75% to 100% recovery of outstanding face value of SRs.
(4) RR3: Indicates 50% to 75% recovery of outstanding face value of SRs.
(5) RR4: Indicates 25% to 50% recovery of outstanding face value of SRs; RR5: Indicates 0% to 25% recovery of outstanding face value of SRs.
(6) An unrated portfolio is on account of new acquisitions which are in the process of being rated.
Note: For SRs over 8 years, the ratings are compulsorily withdrawn based on guidelines prescribed by RBI, except in certain exceptional circumstances, as prescribed by the RBI. In accordance with the guidelines prescribed by RBI, the above table includes certain SRs, where the SRs issued by the trusts managed by us are over 8 years, but where the RBI guidelines allow for such SRs to be rated.

As of March 31, 2025, March 31, 2024 and March 31, 2023, 79.27%, 79.63% and 76.91%, respectively of our AUM was rated RR1+, RR1 and RR2. We obtain ratings for SRs issued by the trusts managed by us from a diverse set of rating agencies. For further details of these ratings, see – "*-Description of our Business - Credit Ratings and Recovery Ratings*" on page 193.

Experienced Board of Directors, Management Team and Marquee Investors

We have an experienced Board of Directors comprising professionals from diverse industries who have been instrumental in providing support and strategic direction. We are led by a professional and experienced management team who have extensive domain expertise and understanding of our industry and vision to scale up our business. They also have diverse experience in a range of financial products and functions related to our business and operations. Our Chief Executive Officer and Managing Director, Pallav Mohapatra, has over four decades of experience working with banks and managing stressed assets. Our President, Phanindranath Kakarla, has experience in working with banks and NBFCs and is responsible for collaboration across departments, leading acquisition and resolution of stressed assets for our Company; our Chief Financial Officer, Pramod Gupta, has experience in finance roles across different industries and is responsible for leading and directing all financial functions of our Company; our head of acquisitions for Corporate and SME and Other loans, Rajat Agarwal, has experience in the banking and financial services sector and is responsible for steering revenue growth, strategic investments, managing client relationships, ensuring financial management, portfolio acquisitions and business development for our Company; and our head of acquisitions for Retail loans, Anup Satish Mittal, has experience in asset reconstruction and banking and financial services and is responsible for heading retail and is engaged in steering revenue growth, strategic investments and client relationships within the retail business vertical in our Company.

Our Promoters include marquee investors, Avenue India Resurgence Pte. Ltd (an affiliate of Avenue Capital Group), which holds 69.73% of our outstanding equity interest, as of the date of this Draft Red Herring Prospectus and the State Bank of India, which holds 19.95% of our outstanding equity interest, as of the same date. We believe we have benefited significantly from their vision and leadership, and they along with our senior management, have been instrumental in formulating and executing the core strategy of our Company.

Our Strategies

Increase the Proportion of Our Retail, and SME and Other Loans

We intend to increase the proportion of Retail and SME and Other loans in our portfolio. Retail credit (which includes housing finance, vehicle finance, gold loans, education loans, consumer durables, personal loans, credit cards and microfinance) in India stood at ₹ 67 trillion as of March 31, 2024 and grew at a CAGR of approximately 19% between Fiscal 2019 and Fiscal 2024 driven by strong demand for housing and auto loans, as well as a significant increase in credit cards and personal loans. *(Source: CRISIL Report)* Retail credit is expected to maintain a significant growth rate of 14% to 16% between Fiscal 2024 and Fiscal 2027. *(Source: CRISIL Report)* Retail credit accounted for approximately 30% of the total credit in India, as of March 31, 2024. *(Source: CRISIL Report)* As per the CRISIL Report, the growth in retail loans has been driven by several factors, including digital disbursements with smaller ticket sizes, customized product offerings, increased adoption of digital platforms, rising use of credit cards for consumption and e-commerce activities, increased consumer spending and heightened lifestyle needs fuelled by easy access to personal loans. Technology integration through AI driven risk assessment for approving small ticket retail loans to a wide range of customers has also reduced the time involved for disbursal of retail loans, resulting in a larger disbursement of credit. *(Source: CRISIL Report)* As per the CRISIL Report, the advent of digital lending has played a pivotal role in driving the expansion of retail credit.

The NPAs for retail credit was approximately ₹ 1.5 trillion, as of March 31, 2025. *(Source: CRISIL Report)* As per the CRISIL Report, stress in the retail segment has been increasing in the last few years mainly due to the unsecured lending segment. The stress in the unsecured lending segment comprising of consumer loans, personal loans, and credit cards has witnessed a rapid growth with a CAGR of 16.5%, 26.9% and 29.1%, respectively between Fiscal 2020 and Fiscal 2025 *(Source: CRISIL Report)*. The total stress under the retail segment in banks and NBFCs has increased from ₹ 3,469.5 billion in Fiscal 2020 to ₹ 6,924.5 billion in Fiscal 2025 at a CAGR of 14.8%. *(Source: CRISIL Report)* As per the CRISIL Report, retail NPAs could witness some rise primarily due to increasing NPAs under unsecured segments.

We have capitalized on this growth in the retail sector, by increasing the AUM of our Retail loans from ₹ 15,591.07 million as of March 31, 2023 to ₹ 27,478.80 million as of March 31, 2025. This increase in AUM has resulted in an increase in the number of retail borrowers on our platform by 51.31%, from 1,126,791 as of March 31, 2023 to 1,704,924 as of March 31, 2025. Our investment in the retail loan stressed assets has increased from 21.92% of the total investment in security receipts issued by the trusts managed by us in Fiscal 2023 to 40.46% of security receipts issued in Fiscal 2025. This increase in investment in Retail loan stressed assets is aligned with our broader strategy of increasing the proportion of our investments in stressed assets we acquire and focus on enhancing our returns from such investments. We have strengthened our collections capabilities by onboarding additional external collections agents and increasing the number of external collection agents from 68 as of March 31, 2023 to 163 as of March 31, 2025. We believe that our customized end-to-end technology platform, large capital base to acquire portfolios, widespread operations, robust collection infrastructure including trained manpower and external agencies along with existing arrangements with empanelled lawyers and registered valuers, positions us well to capitalize on the growth envisaged in the retail sector.

Similarly, estimated MSME credit (individual + commercial) has grown at a CAGR of approximately 19.2% from approximately ₹ 41.2 trillion as of March 31, 2022 to approximately ₹ 58.6 trillion, as of March 31, 2024. *(Source: CRISIL Report)* The NPAs for MSME credit were approximately ₹ 1.46 trillion, as of March 31, 2024. *(Source: CRISIL Report)* The overall stress in the MSME segment has grown at a CAGR of approximately 11.1% over the last two Fiscals from approximately ₹ 6.8 trillion as of March 31, 2022 to approximately ₹ 8.4 trillion as of March 31, 2024. We have capitalized on this growth in the SME and Other sector, by increasing the AUM of our SME and Other loans from ₹ 12,479.10 million as of March 31, 2023 to ₹ 13,846.85 million as of March 31, 2025. The level of stressed assets in India in the SME sector provides an opportunity for distressed asset buyers. MSME credit accounted for approximately 25% of the overall credit in India as of March 31, 2024, which is expected to increase to 27% to 29% by March 31, 2026.

The evolution of the ARC industry along with an evolving regulatory framework have made ARCs the preferred mode for stressed asset resolution for such loans. *(Source: CRISIL Report)* We believe that this provides us substantial growth opportunities which we are well positioned to capitalize on.

Continue to Grow Our Corporate Loans Business

We have been acquiring stressed corporate assets for over two decades and will continue to focus on growing our Corporate loans business by targeting credit-worthy mid-sized stressed assets. We employ sector-specific expertise and risk-based pricing models to selectively acquire Corporate loans. We will continue to leverage our strategic partnerships with banks, non-banking financial companies, industry bodies and fintech platforms to identify new opportunities to acquire stressed corporate assets.

We will also focus on asset reconstruction opportunities in the commercial real estate sector. As per the CRISIL Report, the commercial real estate portfolio of SCBs has grown at a CAGR of 14.9% (12.9% excluding the impact of the HDFC merger) over the last five years from approximately ₹ 2.7 trillion as of March 31, 2020 to approximately ₹ 5.3 trillion as of March 31, 2025. However, the commercial real estate segment witnessed significant asset quality concerns, especially for NBFCs during

March 2020 to March 2023 due to asset quality stress stemmed from pandemic-led lockdowns which halted construction and also gave rise to labour shortages, leading to extended construction timelines and financing challenges. *(Source: CRISIL Report)* The NPAs for NBFCs under this segment has been in the range of 12% to 15% every year during the period Fiscal 2022 to Fiscal 2024. *(Source: CRISIL Report)* As per the CRISIL Report, going forward, the commercial real estate portfolio of SCBs is expected to grow to approximately ₹ 8.4 trillion by March 2029 at 12% CAGR driven by the growth in office spaces, retail, warehousing and the growing shared working segment. In view of the expected increasing exposure of banks and inherent sector risk, the segment is likely to provide significant opportunity for growth in the acquisition and resolution of stressed commercial real estate assets in the near to medium term.

We have undertaken the acquisition and resolution of real estate stressed assets for over two decades, and as of March 31, 2025, real estate stressed assets formed 30.42% of our AUM. Resolving stressed real estate projects requires specialised resolution strategies such as providing priority debt funding to borrowers. In the past, we have undertaken such projects by arranging a senior secured loan as a fund infusion, to enable the developer to complete the project, which was subsequently monetized upon completion. We also have the capability to undertake priority debt funding either ourselves or through strategic investors or collaboration with real estate funds that provide last mile funding.

Our experience in acquiring and managing stressed real estate assets, ability to collaborate with specialized real estate funds for last mile funding of projects requiring capital infusion, and our ability to monitor the end use of funds and cashflows from projects to unlock the value of real estate inventory, position us well to identify, resolve and capitalize on the growth in real estate stressed assets in India.

Continue to Focus on Effective Use of Technology and Data Analytics to improve operational efficiency

We have implemented different technology platforms and tools to assist us with the key functions of our business right from portfolio acquisitions, credit assessments, pricing to collections. We utilize proprietary platforms for asset tracking, case management and compliance monitoring. We use several tools to assist us with our due diligence functions including for valuing an asset, checking borrower history and the probability of recovery basis the underlying value of assets, revival of borrower business basis sustainable cashflows, and associated litigations.

We use data analytics through our proprietary scorecards and CIC scrubs to assist us with predicting the risk profile of borrowers, probability of recovery and decision making. For the collection of Retail loans, we use geo-tracking for field agents, UPI and QR code based payments to provide seamless collection mechanisms, and generation of heat maps and risk models which identify stress clusters based on geography, product or borrower type. We use data analytics tools for tracking and enhancing borrower communication, borrower segmentation, payment prioritization schedules and legal actions. We use data analytics and a prioritization model to segment and prioritize accounts based on the risk and potential for recovery to improve our collections efficiency. We also utilize a pin code data scrubbing process of cleaning, standardizing, and verifying postal code data to ensure its accuracy and consistency. Through this process, we seek to enhance data quality, improve operational efficiency, reduce errors in communications, and ensure timely follow up and reach for loan recovery from borrowers.

We use a loan management system that enables us to send online settlement offers and restructuring proposals to retail borrowers on our platform. Once the settlement proposals are approved, an automated email and SMS with one-time settlement letters are sent to the borrowers. We are in the process of developing an interface through which borrowers will be able to access their loan details, submit their one-time settlement or restructuring offers and receive instant approvals without manual intervention, followed by payment links for making payments. We have also integrated a payment gateway with the loan management system. Upon completion of payments, automated communications are sent to borrowers by way of email and SMS with payment receipts. We are in the process of upgrading these systems for auto realization of receipts on the basis of KYC compliance.

As we continue to expand our scale of operations, we intend to further develop and integrate our technology to support our growth. We are continually improving our technology platforms and our pricing, credit assessment and collection processes through software development and statistical analysis. As a result of our technology platforms and initiatives, we believe that we will be able to increase the scale and effectiveness of our operations without a proportionate increase in our operational expenses.

Strengthening our Retail Loan Collection Capabilities

We have a robust collection infrastructure which involves a combination of in-house collection managers, legal officers and external collection agencies spread across 24 states in India to ensure efficient recovery from both secured and unsecured pools. In Fiscal 2025, 2024 and 2023, we worked with 163, 94 and 68 collection agencies, respectively. We believe that this strategy gives us significant control over the collections process, substantial scalability in our business model and the ability to customize collection strategies based on our analysis of data. We conduct regular training of our in-house and external collection agencies including training in behavioural skills and legal knowledge. We leverage technology to tailor resolutions based on income volatility, credit history and geography based risks. For the collection of Retail loans, we use geo-tracking for field agents, UPI and QR code based payments to provide seamless collection mechanisms, and generation of heat maps and risk models which identify stress clusters based on geography, product or borrower type. We are focussed on enhancing our AI and machine learning models to predict recovery potential and validate discounting frameworks. We are also in the process of incorporating real time APIs, communication analytics (including BOT, IVR and tele-calling), and NLP-based speech analytics to better understand borrower interactions which will drive AI powered recommendations designed to identify effective collection channels and follow up tactics. Our flexible resolution mechanisms include loan restructuring, tenure extension, temporary waivers of EMI and reduced interest rates which helps us recover outstanding amounts. We intend to continue focussing on optimizing our collections strategy and to enable the early resolution of stressed assets and shorten the time taken from acquiring a stressed asset to monetizing it, to capitalize on the growth in the Retail loan sector.

Pursue New Business Opportunities

We intend to offer our collection services for retail loans to banks and collect outstanding amounts from borrowers on their behalf. The total addressable market for debt collection agencies under the retail segment (which encompasses housing loans, vehicle loans, personal loans, educational loans, consumer loans and credit loans) is approximately ₹ 6.9 trillion. (*Source: CRISIL Report*) According to the CRISIL Report, given the estimated growth of 14% to 16% until Fiscal 2027 in the overall outstanding amount in the retail segment, the total addressable market for debt collection agencies is expected to grow at a healthy pace going forward. We have developed capabilities including auction engines and collections workflow systems to efficiently manage our acquired portfolios. We will utilize these capabilities together our automated resolution system to offer platform based collection services to banks. By leveraging our expertise in asset recovery, legal enforcement and restructuring, we aim to manage stressed assets more efficiently, while providing banks with a streamlined and outsourced solution. In return, we would charge a service fee based on performance metrics, aligning our interests with those of the banks. This model will help banks focus on their core operations while unlocking a large and scalable revenue stream for us, especially in the context of rising delinquency volumes. We are currently in discussion with banks to act as recovery agents on a pilot basis, particularly for stressed assets which are not being sold to asset reconstruction companies.

We intend to expand our AUM and grow our business by purchasing stressed assets from Microfinance Institutions ("**MFIs**"). We acquired our first stressed asset portfolio from an MFI in Fiscal 2025. MFIs typically offer small loans to underserved populations, often without collateral, making their loan portfolios riskier but also presenting a chance for ARCs such as us to acquire stressed assets at a lower cost. As MFIs may face higher default rates due to the lack of security and economic challenges, we believe we can step in to restructure or recover these loans by leveraging our expertise in stressed asset management. Further, unsecured loans, whether personal, micro, or small business loans, also present a good opportunity for us to purchase stressed assets at discounted rates, and with efficient recovery strategies, realize higher returns. This growing opportunity is particularly attractive as the demand for micro-lending continues to rise, coupled with the increasing focus on financial inclusion and affordable credit. In order to tap into the MFI borrower base, we have expanded our on the ground presence of collection agents by increasing our presence in rural and semi-urban areas. We are currently in the process of engaging with NBFC-MFIs and small finance banks for acquisition of stressed portfolios and co-resolution of overdue accounts.

DESCRIPTION OF OUR BUSINESS

We were the first ARC to be incorporated in India *(Source: CRISIL Report)* having obtained our certificate of registration to commence our operations on August 29, 2003 from the RBI pursuant to the SARFAESI Act. We are an ARC operating across India and are engaged in the business of acquiring stressed assets from banks and financial institutions and implementing resolution strategies aimed at maximizing recovery and optimizing the value of such stressed assets. Stressed assets include non-performing assets, special mention accounts (SMA 0/1/2) and written-off accounts. *(Source: CRISIL Report)*

We operate across three business verticals - Corporate loans, Retail loans and SME and Other loans, and classify the stressed assets that we acquire based on the resolution mechanism we employ which are subject to our internal assessments. We bid for distressed assets either individually or as a pool of loans, acquire them and implement resolution strategies and employ a mix of collection strategies. We primarily derive our revenues from the following sources:

- *Management fees/ trusteeship fees*: this is the fee we charge to the trust for managing the stressed asset and is based on the average quarterly NAV on the outstanding face value of security receipts depending on the trust's fees structure as defined in the underlying documents.

- *Portfolio recovery fees:* For certain deals such as Retail loans and structured deals, we charge a certain percentage as collection fees on the recoveries made, to the trust, depending on the trust's fees structure as defined in the underlying documents.

- *Income from investments (corresponds to other operating income in the Restated Financial Information):* this is in the nature of share of profit as per the terms and conditions specified in the underlying documents and is recorded once the recoveries from the stressed assets exceeds the recoverable expenses and cost of the investments.

- *Write backs:* we recognize such income where recoveries are made against investments or fee or expenses recoverable from trusts written-off earlier due to a write-off on the completion of an eight year period in accordance with RBI guidelines.

The tables below sets out details of revenue earned from the revenue streams above on a consolidated and standalone basis:

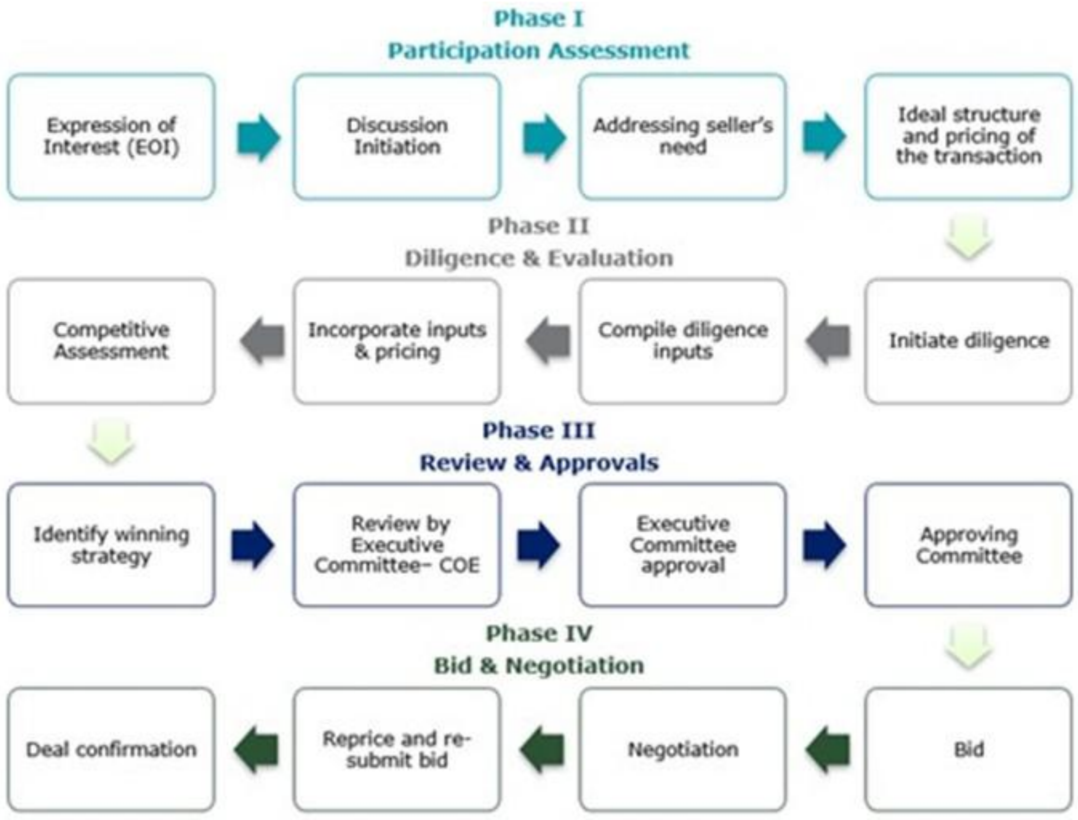
Particulars (on a Consolidated Basis)	Amount (₹ million)		
	Fiscal 2025	Fiscal 2024	Fiscal 2023
Management fees/ trusteeship fee	1,117.88	1,632.29	1,608.24
Unbilled Management Fees	(150.19)	(376.72)	(367.29)
Total Management Fees (Management fees/ trusteeship fee + unbilled management fee)	967.68	1,255.57	1.240.95
Portfolio recovery fees	304.56	210.66	403.33
Income from investments (corresponds to other operating income in the Restated Consolidated Financial Information)	1,988.01	1,498.95	1,839.04
Write backs (corresponds to recovery of security receipts, unrealized fee and expenses (written off earlier) in the Restated Consolidated Financial Information)	1,000.31	2,875.52	1,408.97

Particulars (on a Standalone Basis)	Amount (₹ million)		
	Fiscal 2025	Fiscal 2024	Fiscal 2023
Management fees/ trusteeship fee	1,368.93	1,969.41	1,680.32
Unbilled Management Fees	(122.17)	(505.49)	(382.96)
Total Management Fees (Management fees/ trusteeship fee + unbilled management fee)	1,246.76	1,463.92	1,297.36
Portfolio recovery fees	466.91	323.05	436.23
Income from investments (corresponds to other operating income in the Restated Standalone Financial Information)	1,922.53	823.38	1,635.17
Write backs (corresponds to recovery of security receipts, unrealized fee and expenses (written off earlier) in the Restated Standalone Financial Information)	1,000.32	2,874.74	1,408.98

Our process of acquiring, implementing resolution strategies and realizing recoveries from stressed assets involves multiple steps. For details, see "- *Overview*" on page 165.

Due Diligence Prior to Acquisition of Stressed Assets

Our acquisition process involves internal and external due diligence to determine recovery potential and associated risks. Set out below is a flow chart setting out the processes undertaken by us prior to the acquisition of stressed assets:



Participation Assessment

Sourcing of Stressed Assets

We source our stressed assets from a diversified lender base including public sector banks, private banks, co-operative banks, and NBFCs and HFCs. Set out below are details of AUM which we have sourced from various banks and financial institutions as of the dates indicated:

Sources of Stressed Assets	March 31, 2025		March 31, 2024		March 31, 2023	
	AUM (in ₹ million)	(% of AUM)	AUM (in ₹ million)	(% of AUM)	AUM (in ₹ million)	(% of AUM)
Public Sector Banks	47,098.88	27.95%	48,649.70	31.94%	54,745.19	33.74%
Private Sector Banks	45,552.92	27.03%	43,224.91	28.38%	46,321.45	28.55%
Co-operative Banks	1,307.26	0.78%	1,362.38	0.89%	919.50	0.57%
NBFCs, HFCs and Others*	74,566.63	44.25%	59,063.33	38.78%	60,248.68	37.14%
Total AUM	**168,525.70**	**100.00%**	**152,300.31**	**100.00%**	**1,62,234.83**	**100.00%**

* *Others includes insurance companies and financial institutions.*

Discussion Initiation

Banks and financial institutions employ varying methods to initiate discussions around the sale of stressed asset portfolios. These include the following:

- *Expression of Interest ("**EoI**")*- typically public sector banks issue EoIs which is a formal document inviting ARCs and other eligible entities to express their interest in purchasing stressed assets. Such EoIs typically outline the details of assets available for sale, the terms and conditions of the sale and the process for submitting bids. The primary purpose of an EoI is to gauge interest and pre-qualify bidders.

- *Limited Circulation Expression of Interest ("**LCEoI**")*- typically private sector and co-operative banks issue LCEoIs which is an invitation to express interest in purchasing stressed assets that is sent to a select group of potential buyers, rather than a public expression of interest. Such a group typically includes pre- qualified ARCs and other entities that have shown interest or have a proven track record in handling stressed assets.

Upon evaluation of the bids, banks and financial institutions select a bid and the terms are finalized through a sale agreement. Upon finalization of the sale agreement, the relevant bank or financial institution transfers the legal rights of recovery to us. Upon securing the rights of assignment, we take over the recovery process and apply appropriate resolution processes.

Discussion of Seller's needs

Upon completion of initial discussions with sellers, we enter into detailed engagement with sellers to understand the specific needs, pricing, structure and timelines of the sale of stressed assets. Seller needs are driven by various factors including regulatory and internal guidelines, liquidity position and timing of the transaction, and provisioning history of the stressed asset pool.

Structure and Pricing of the Transaction

We have structured various innovative deals including structured IRR deals and junior structured deals. For details, see "*Description of our Business-Acquisition of stressed assets*" on page 183. We employ an ordinary SR acquisition structure or a cash acquisition structure based on various factors including findings based on negotiations with the seller. Our pricing depends on the transaction structure. For instance, we avail higher discounts for cash acquisition deals or for higher vintage assets, and lower discounts for structured acquisitions and ordinary SR acquisition deals.

Diligence and Evaluation

Diligence

We undertake detailed diligence of the stressed assets which includes legal due diligence, collateral due diligence and financial due diligence. We empanel external agencies to assess the enforceability of the underlying security and undertake site visits to understand value and marketability of the underlying security. In instances where the principal outstanding amount is equal to or more than ₹ 1,000 million, we undertake site visits before acquisition, and in instances where the principal outstanding amount is less than ₹ 1,000 million but more than ₹ 200 million, we conduct site visits post-acquisition.

While undertaking due diligence of a retail portfolio or low value SME and Other portfolios, i.e., where the principal outstanding dues are below ₹ 50 million, we undertake due diligence on a sample basis where we select the sample on the basis of various parameters including location, time since sanction, principal outstanding dues and loan to value. We ensure that our diligence of the sample covers greater than 5% by number of accounts and greater than 5% by principal outstanding dues.

While entering into acquisition transactions, we ensure that our exposure to single cases is less than 15% of our last reported net worth and less than 30% of our last reported net worth for group exposure. We also ensure that the acquisition from a single financial institution is less than 25% of the total SRs outstanding, and less than 30% of the total SRs outstanding for financial institutions of the same group. In case of any deviation from these parameters, approval from the Board of Directors is required. We also ensure that the price of acquisition is less than the principal outstanding dues of any particular stressed asset or pool of stressed assets, and deviation if any from such standard is required to be approved by the Board of Directors. We undertake such risk management measures to diversify the portfolios we manage and lower our risk. Our due diligence process involves the following broad steps:

- *KYC, Financing and Security Documents Verification*- we undertake verification of all KYC documents, loan agreements, board resolutions, sanction letters, security documents including mortgage, hypothecation agreements and guarantee documents, to ensure that the documents are valid, duly stamped, duly executed and are legally enforceable.

- *Title and Charge Verification*- we ascertain if the borrower/ mortgagor has a clear and marketable title to the secured assets by verifying the title and chain of title documents. We also ascertain if the lender has a valid and perfected charge registered with the relevant authorities in compliance with applicable law.

- *Litigation and Legal Proceedings*- we review pending legal proceedings including those before the Debt Recovery Tribunal, National Company Law Tribunal, High Court, Supreme Court or civil court cases, ascertaining the limitation period and identifying any risk or potential delays in recovery. Identifying these issues helps in minimizing the risk of legal challenges or disputes related to the assets being acquired.

- *Regulatory Compliance*- we ensure compliance with applicable law including the SARFAESI Act and applicable RBI guidelines.

- *Recovery Assessment*- we evaluate the practical enforceability of rights under various laws or recovery mechanisms, based on the legal status of the asset.

We undertake due diligence on the portfolio of stressed assets by either visiting the bank or financial institutions' office or branch or by conducting a diligence of documents through a virtual data room. Through this process we verify the loan, title, security documents and interact with the secured creditors or consortium of lenders to resolve questions raised by our legal team during the due diligence process. Subsequently, a comprehensive legal due diligence report is prepared and submitted to the acquisition team and risk management team enabling swift decision making on asset acquisition. The questions or observations highlighted by the risk management team and legal team are raised with the lender and an effort is made to address and resolve the questions or observations identified during the due diligence process prior to the acquisition of stressed assets.

Evaluation

We adopt various valuation methodologies on the basis of resolution strategies adopted in each case upon conclusion of our preliminary due diligence. Some of the valuation methodologies adopted by us include distress sale value, enterprise value and fair value which we utilize depending on the condition of the underlying assets and availability of the market for such stressed assets We select a pool of stressed assets based on various input parameters such as asset size, industry to which the stressed asset is exposed, legal issues, geography and other inputs collected during the due diligence process. As of March 31, 2025, we worked with over 201 registered valuers, 163 collection agents and had over 950 lawyers empanelled with us.

Pricing Assessment

The assessment of the seller's needs as well as the diligence inputs carried out are incorporated into our internal proprietary pricing models to develop various scenario analysis and pool level pricing curves. The output of these proprietary models are confidential and shared with the analytics team and the senior leadership. Competitive assessment is carried out based on which a final subjective call is taken by the senior leadership and the pricing of the pool/ asset is finalised for further approvals. Further negotiations are carried out with the seller bank on a portfolio basis for retail acquisitions and on an asset basis for Corporate and SME and Other acquisitions.

<u>Reviews and Approvals</u>

Upon completion of participation assessment, diligence and evaluation of the stressed assets, we undertake three levels of reviews and approvals before a bid is made for stressed assets. This includes internal management review which is done by a committee of executives comprising of senior management of the Company. The internal management review is followed by review and approval by the executive committee, which is a Board authorized committee. The last step of the review and approval process, wherever required, is approval from the Board of Directors which includes representatives of our Promoters, Avenue India Resurgence Pte. Ltd and the State Bank of India.

Bidding

Upon receipt of all necessary internal approvals, the bid is submitted to the seller for further negotiations. The internal committee approves a pricing cap based on the cost and IRR thresholds within which the price is finalised and deal closure is achieved.

We bid for stressed assets through a competitive bidding process, including the Swiss challenge and anchor process, where stressed assets are assigned upon satisfaction of the prescribed qualifying criteria. Once prospective bidders satisfy the pre-qualification requirements of the tender, the stressed assets are usually assigned on the basis of price competitiveness of the bid. The RBI issued the Master Direction- Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 introduced the Swiss challenge for acquisition of stressed loans. Under this mechanism, an ARC interested in acquiring a stressed loan may offer a bid to the lender ("**Base Bid**"). The lender shall then publicly call for counter-bids. If a counter bid is received which meets the criteria specified by RBI and is higher than the Base Bid, the counter bid becomes the challenger bid. The ARC which issued the Base Bid has the right to either match the challenger bid or bid higher than the challenger bid. In the event the ARC does bid higher, its bid shall become the winning bid, else the challenger bid shall be the winning bid.

Acquisition of Stressed Assets

Stressed Assets are acquired by us through different mechanisms which include (i) directly offered to us by banks or financial institutions; or (ii) we may identify an stressed asset for acquisition based on our internal studies and approach the relevant bank or financial institution for acquisition; or (iii) we approach banks or financial institutions for acquisition of an additional share in the assets which have already been acquired from other banks or financial institutions or which are in the process of acquisition, with a view to have a major share of the debt in the borrower company, i.e., aggregation of debt.

We acquire stressed assets through different structures - cash acquisition, co-investor acquisition, ordinary SR acquisition and structured acquisition. For details of our AUM based on different structures utilized for acquiring stressed assets, see "- *Overview*" on page 165.

Acquisition without the selling bank or financial institution as an investor

- *Cash Acquisition-* cash acquisitions are deals where all the SRs issued by the trust are subscribed to by us and the returns of the trust belong to us since we are the sole subscriber of SRs.

- *Co-investor acquisition-* co-investor acquisitions involve the subscription of SRs by us and one or more Qualified Buyer other than the seller of the stressed assets and returns are shared by us in proportion of our holdings.

Acquisition with the selling bank or financial institution as an investor

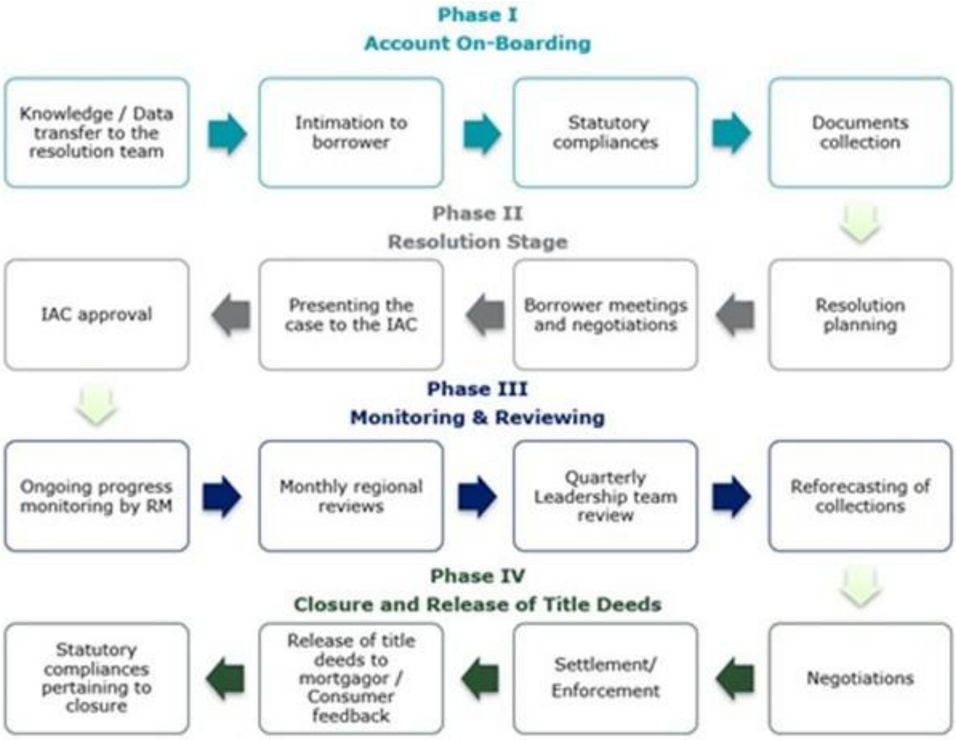
- *Ordinary SR Acquisition-* Ordinary SR acquisitions are deals where the SRs are subscribed to by us and the seller of the stressed assets and returns are shared by us in proportion of our holdings.

- *Structured Acquisitions-* Security acquisitions are similar to ordinary SR acquisitions deals where we and the seller of the stressed assets subscribe to the security receipts, with the difference being that there is a cap on the returns that we make in such transactions.

We also invest in SRs issued by trusts set up for the purpose of securitization as per RBI guidelines, i.e., minimum 15% of the transferor's (selling bank or financial institution) investment in the SRs or minimum 2.5% of the total SRs issued by the trusts managed by us in case of a cash acquisition or co-investor acquisition deals in the relevant trust under each scheme on an ongoing basis until the redemption of all the SRs issued by the trusts managed by us under such scheme.

Management of Stressed Assets

Our management of stressed assets involves various critical stages including resolution to maximise recovery from the assets. Set out below is a flow chart setting out the processes undertaken by us to manage stressed assets:



<u>Account on-Boarding</u>

Knowledge/ Data Transfer

We initiate the management of our stressed assets with assignment of the acquired account to a resolution manager. The specific account or pool of stressed assets are segregated geographically and accordingly assigned to the resolution manager in that particular zone. The information collected during the diligence and acquisition stages is stored at a central location and passed on to the resolution manager in the particular zone. The preliminary information memorandum, reports on collateral valuation, legal due diligence, detailed information on borrowers, their promoters and guarantors are some of the key documents which are transferred to the resolution manager at this stage.

Borrower Intimation and Statutory Compliances

We are required to comply with various regulatory and statutory requirements in connection with our acquisition and management of stressed assets. We send an intimation to the borrowers regarding the assignment of loans to us, as required under the SARFAESI Act. Additionally, the underlying security interest is also assigned in our favour. We undertake the creation of charge by filing the required forms with the relevant registrar of companies. We also complete the registration with CERSAI in our favour by registering the details of security interests associated with the assets acquired.

Collection of Documents

Loan related documents including financing agreements, sanction letters, mortgage and hypothecation documents and title documents are collected at this stage from the respective branches of the relevant banks or financial institutions by our regional resolution teams.

<u>Resolution Strategies</u>

For details of resolution strategies employed for our Retail loan segment, see "*Description of our Business- Categories of Stressed Assets- Retail Loans*" on page 187. We employ one or more of the following resolution strategies for recovery from the Corporate and SME and Other loans:

Restructuring/ Rescheduling of debt with the borrower

Restructuring or rescheduling of debt is a financial strategy used to help borrowers who are facing challenges in meeting their repayment obligations. It involves modifying the terms of the existing loan agreement between the borrower and lender to make repayment more manageable. Restructuring or rescheduling includes extending the loan tenure, reducing the interest rate, converting debt into equity, or offering a temporary payment moratorium. Restructuring and repayment aims to avoid default and preserve the viability of the borrower's business, benefiting both the lender and the borrower. We consider restructuring or rescheduling debt of the borrower in instances where: (i) the borrower is an operating company which is generating or is likely to generate EBITDA with or without the infusion of funds within a reasonable period of time; (ii) the borrower is a non-operating company (i.e., where the company is shut down but the production facilities are capable of being operated) and where there is a definite plan for infusion of funds and the funds required for starting the operations have been tied up or are likely to be tied up within a reasonable period of time; (iii) where the resolution proposal envisages merger of a closed entity with another operating entity which is or likely to become EBITDA positive under the same management; and (iv) the payment defaults by the borrower are mainly on account of industry or business related issues, unviable capital structuring or delay in financial closure and the promoters are supporting or willing to support the company's operations.

While undertaking this method of resolution, we ensure that the restructuring or rescheduling proposals are in line with and supported by acceptable business plans, projected earnings, cash flow of the borrower, and do not affect our asset liability management or the commitments given to investors. Our restructuring proposals typically stipulate binding covenants suggesting that in the event of a breach of the terms of restructuring by the borrower, we will have the right to sell the business through a pledge of shares or any permitted structure. We are permitted to utilize a part of the funds raised under a scheme from QBs for restructuring of financial assets subject to certain conditions such as that the funds utilized for restructuring should not be more than 25% of the funds raised under the scheme and that scheme should contain a disclosure that the funds raised shall be utilized for restructuring purposes.

We also consider the induction of a strategic investor in the restructuring and rescheduling process, who with industry experience, financial strength and long-term interest in the company helps revive and grow a financially distressed business. This approach is commonly used in restructuring or insolvency scenarios, where the investor acquires a significant stake or control in the company under a restructuring plan.

In scenarios where the stressed assets have turn around potential after restructuring but with a large default and unsustainable levels of debt, it is necessary to arrive at sustainable levels of debt, on the basis of evaluation of detailed business plan with projected level of operations, which can be serviced by the company. A part of residual unsustainable debt is converted to equity for an optimal debt equity structure. In such scenarios, our shareholding does not exceed 26% of the post converted equity of the entity under reconstruction. In certain scenarios, if it is proposed that our shareholding exceed 26% of the post converted equity of the entity under reconstruction, we are required to comply with certain requirements such as at least half of our Board is to comprise of independent directors and the authority taking the decision for conversion of debt into equity will be the executive committee, which should comprise with a majority of independent directors.

We evaluate various parameters of the borrower for the conversion of debt into equity including enterprise valuation, debt profile, past financial and operational performance, past debt repayment track record, potential to turnaround operations, future prospects of the industry in which the borrower operates, post conversion shareholding of the promoters and presence of strategic investor as a shareholder. In case the shares of the borrower are listed on any recognised stock exchange, the conversion price is determined in accordance with the SEBI ICDR Regulations, and in case the shares are unlisted, the conversion price is determined on the basis of a valuation certificate obtained from a chartered accountant or a merchant bank.

Sale of the underlying assets under the SARFAESI and DRT

The sale of assets under the SARFAESI Act is mechanism that allows us to recover stressed assets without court intervention. We can take possession of the secured assets and sell them through auction or private treaty. The proceeds from the asset sale are used to recover the outstanding dues, providing an effective tool to enforce security interests and reduce bad debts.

The Debt Recovery Tribunal provides a specialised forum for speedy adjudication and enforcement of debt recovery cases. Upon a case being filed, the tribunal examines the evidence and passes a recovery certificate, which is executed by a recovery officer. DRTs have powers similar to civil courts and can order attachment, sale of property and other recovery actions. This mechanism ensures a structured and judicial approach to recovering dues while reducing the burden on regular civil courts.

Prior to undertaking sale of the underlying assets, we obtain consent of secured creditors holding not less than 60% of the amount outstanding to a borrower. We undertake valuation of the underlying assets and offer for sale the assets at a 'reserve price' which is above the 'realisable value' as approved by a valuation committee. The sale of the underlying assets is undertaken in accordance with applicable law.

Resolution through the NCLT route under the Insolvency and Bankruptcy Code, 2016

We also undertake resolution through the route provided under the IBC. The IBC was notified on August 5, 2016 The IBC offers a uniform and comprehensive insolvency legislation encompassing all companies, partnerships and individuals (other than financial firms). It allows creditors to assess the viability of a debtor as a business decision and agree upon a plan for its revival or a speedy liquidation. The IBC creates an institutional framework, consisting of a regulator, insolvency professionals, information utilities and adjudicatory mechanisms, which facilitates a formal and time-bound insolvency resolution and liquidation process. The IBC has established a well-defined waterfall mechanism which prioritizes the claims of secured creditors over unsecured and operational creditors. Further, the appointment of independent resolution professionals ensures transparent and professional management of the corporate debtor during the insolvency process. Resolution under the IBC in

India is a time-bound process aimed at reviving financial distressed companies by resolving their insolvency. When a company defaults on its debt, the process can be initiated by creditors or the company itself through the NCLT. A resolution professional is appointed to manage the company and form a committee of creditors, which evaluates and approves resolution plans submitted by potential investors. If a viable plant is approved within 330 days, the company is revived, otherwise, it proceeds to liquidation. The objective is to maximize asset value and ensure fair treatment of stakeholders.

In order to determine if initiation of corporate insolvency resolution proceedings ("**CIRP**") is to be filed against the corporate debtor, we examine the nature and extent of financial assistance and underlying security, the status of operation of the corporate debtor and probable outcome of the CIRP, outcome of the earlier strategies for resolution through settlement/ recovery through enforcement of security interest, time involved in resolution, high statutory liabilities, other operational liability and existence of assets of the corporate debtor which are not mortgaged to us.

In the case of failure of the CIRP, we evaluate if we should support the liquidation process or stay outside of the liquidation process. In doing so, we consider the value and marketability of the security mortgaged with us, whether we have exclusive charge over the assets or pari passu with other creditors, whether the outstanding dues can be recovered through sale of mortgaged assets through the SARFAESI Act or the DRT. Further, in the event the unit of the debtor is non-operating and its revival is not feasible or the plant and machinery has been sold or is deteriorated beyond economic viability levels or there is a challenge in obtaining possession of the assets, we may decide to proceed with liquidation of the corporate debtor.

Settlement of borrower debt

Settlement with a borrower refers to a mutual agreement between the lender and the borrower to resolve an outstanding debt, typically outside of formal legal proceedings. The borrower agrees to pay a negotiated amount, often less than the total due in a lump sum payment or through structured payments, and the lender agrees to waive the remaining dues. Settlements are usually considered when the borrower is unable to repay the full amount due to financial distress, and the lender wants to avoid a lengthy recovery process. The proposals for settlement of borrower debt are examined by an independent advisory committee comprising of professionals having experience in the field of finance, legal and the relevant technical domain. Such proposals capture the financial position including the projected earnings and cash flow of the borrower and the steps taken by us for resolution. The proposal also analyses enforcement scenarios in terms of estimated recovery, timing, challenges to recovery and makes recommendations accordingly. We undertake settlement only after all possible steps to recover dues have been taken and there are no further prospects of recovering debt. The net present value of the settlement amount should not be lesser than the realizable value of securities. If there is a significant variation between settlement amount and the valuation at the time of acquisition, i.e., more than 10%, a justification for such variation is included in the settlement proposal. On the basis of their evaluation of the proposal, the independent advisory committee will provide its recommendation to the executive committee, which comprises of at least two independent directors. The executive committee takes the final decision on settlement of debt of the borrower. While, the settlement with the borrowers is not governed by the IBC, settlements can occur during the insolvency process if the borrower proposes a workable repayment plan accepted by creditors and approved by the NCLT.

<u>Monitoring and Reviewing</u>

The resolution manager carries out ongoing monitoring of the progress made in recoveries vis-à-vis the resolution plan approved with respect to the recovery timeframe and target collections. The senior leadership team conducts periodic review of the pool of accounts for addressing any macro level issues faced in the resolution process.

As part of our monitoring and review process, we have created an operations dashboard which sets out detailed summaries of each account in the pool with details such as total recoveries, projections and expenses incurred on a periodic basis. We generate a SARFAESI report on a periodic basis, which includes details on accounts under SARFAESI such as procedures undertaken, physical possession of property, schedules of auction of property and results of the auction. We also publish legal MIS reports on a periodic basis which includes details on accounts where legal action has been initiated, the status of the legal action and upcoming hearing dates for these accounts. We revise our collections and recovery projections basis the changes in resolution and the legal status of the accounts as well as change in payment and settlement terms.

<u>Closure</u>

We close the account when all the recoveries through settlement/ enforcement are completed and no legal cases are pending for any recovery suit. In cases of settlement with the borrower, the title deeds/ certificates and other mortgage documents are released to the mortgagor upon completion of the requisite KYC and compliance checks. Subsequently, we undertake all other statutory compliances such as release of charges in the relevant registrar of companies and make the relevant regulatory disclosures once the account is closed.

Categories of Stressed Assets

Corporate Loans

Acquisitions

As part of our corporate loan segment, we acquire assets from banks and financial institutions which contain a single corporate loan or a pool of corporate loans. For further details on acquisitions, see "*-Description of our Business- Due Diligence prior to Acquisition of Stressed Assets*" and "*Description of our Business-Acquisition of Stressed Assets*" on pages 180 and 183, respectively.

Resolutions

We employ an array of resolution strategies to maximise recovery from our corporate loan portfolios which includes resolution under the NCLT route through IBC, settlement of borrower debt, restructuring/ rescheduling of debt, sale of underlying assets under the SARFAESI Act, and sale of the underlying assets through DRT. For further details on resolution strategies, see "*-Description of our Business- Management of Stressed Assets- Resolution Stage*" on page 183.

Collections

We have a specialised collection teams for the corporate loan segment. We undertake all collections through our in-house team. The recovery officers engage with borrowers to recover dues through negotiations or enforcement.

Retail Loans

Acquisitions

We analyse portfolios of retail loans through legal and real estate due diligence which is conducted by empanelled lawyers and empanelled valuers. As of March 31, 2025, we worked with 201 registered valuers, 163 collection agents and had over 950 lawyers empanelled with us. We incorporate the findings of our due diligence into our analysis to arrive at the recovery value of the portfolio. Our methodology to analyse portfolios varies based on the categories of products and deal structure. In order to standardise our analysis, we have developed standard operating procedures to analyse retail portfolios. We use in-house proprietary data analytics models to generate acquisition score cards along with CIC scrubs for each borrower to evaluate the quality of target portfolios and enhance our recovery analysis for pricing purposes. Further, in order to ensure that the account being acquired is not being used for any money laundering activities, we use external databases to run anti money laundering checks on the portfolio prior to acquisition. We have a dedicated team of 48 employees that undertake retail acquisition and resolution, as of March 31, 2025.

Operations

We use advanced loan collections work flow systems and auction engines developed to cater to our retail stressed asset business. These platforms are capable of handling high volume of data, manage end-to-end collection related requirements and conduct auctions of repossessed properties through our in-house auction engine. For details, see "*-Description of our Business- Information Technology*" on page 194.

Collections

We have a robust collection infrastructure which involves a combination of in-house collection managers, legal officers and external collection agencies spread across 24 states in India to ensure efficient recovery from both secured and unsecured pools. At times, the lenders from which we have acquired the stressed assets also act as our collection partners to assist in collections. In Fiscal 2025, 2024 and 2023, we worked with 163, 94 and 68 collection agencies, respectively. Our collections process is driven by policies for resolutions, restructuring and sale of assets. We also use technology driven insights to prioritise collections in unsecured portfolio. For details, see "*-Description of our Business- Information Technology*" on page 194. We also have an online platform where retail borrowers can log-in through the platform and pay their outstanding dues online, post negotiation. Our retail in-house and external collections team engages with borrowers through a number of mechanisms including the following:

- Skip tracing- we use digital tracking and intelligence tools to locate absconding or unresponsive borrowers.
- Digital collection platform- we use CRM tools for tracking and targeting borrower communications, promise and propensity to pay, payment schedules and legal action.
- Field visits and monitoring- we undertake field visits and undertake on-ground verification and asset status updates.
- Data analytics- we use segmentation and prioritizing accounts based on risk and potential for recovery.

SME and Other Loans

Acquisitions

As part of our SME and Other loan segment, we acquire stressed SME and Other assets from banks and financial institutions which contain a single SME and Other loan or a pool of SME and Other loans. For further details on acquisitions, see "-*Description of our Business- Due Diligence prior to Acquisition of stressed assets*" and "*Description of our Business-Acquisition of stressed assets*" on pages 180 and 183, respectively.

Resolutions

We employ an array of resolution strategies to maximise recovery from our SME and Other loan portfolios which includes which includes settlement of borrower debt, restructuring/ rescheduling of debt, sale of underlying assets under the SARFAESI Act, and sale of the underlying assets through DRT. For further details on resolution strategies, see "*-Description of our Business- Management of stressed assets- Resolution Strategies*" on page 184.

Collections

We have a specialised collection teams for our SME and Other loan portfolio. We undertake all collections through our in-house team. The recovery officers engage with borrowers to recover dues through negotiations or enforcement.

Case Studies

Set out below are select case studies which demonstrate details of our acquisition approach, resolution approach and the final outcome in relation to our acquisition and resolution of stressed assets:

Case Study I:

Case Study II:

Deal Type	POS acquired	Pricing	Tenor	Arcil IRR
Structured Acquisition | Retail	₹ 7,008.00 million	₹ 7,008.00 million (100.00%)	~2 years	16.50%

Borrower Overview	• Pool of 88,059 accounts amounting to ₹ 7008.00 million, with an average ticket size of ₹ 0.08 million.
Acquisition Approach	• We conducted on field diligence by visiting branches and understanding the underwriting approach and process followed. • We undertook projections on asset prices with detailed studies on historical price trends and inter-year volatility within the asset class. • We undertook sensitivity analysis to understand value at risk and our cashflows in a worst case scenario.
Resolution Approach	• Monitoring of settlements and auction process carried out by external servicing agents. • Since the underlying asset was gold, this was a liquid asset. • As of March 31, 2025, we have collected ₹ 9,233.27 million since the acquisition of this stressed asset in September 2023.
Final Outcome	• Due to high liquidity of the underlying asset, there was low credit risk. Further, controlled operating costs helped us achieve scale at a relatively lower risk. • Adds balance to the portfolio with recurring dependable cashflows and helps churn capital fast. • SRs are fully redeemed in the trust and upside realized till March 2025 is Rs. 1,267.36 million

Case Study III:

Deal Type	POS acquired	Pricing	Tenor	Arcil IRR
Structured Acquisition | Retail	₹ 2,038.59 million	₹ 643.46 million (31.56%)	5 years	113.61%

Borrower Overview	• Pool of 2,022 accounts amounting to ₹ 2038.59 million with an average ticket size of ₹ 1.01 million.
Acquisition Approach	• We undertook independent due diligence for each asset class. • The asset value was discounted on multiple parameters to arrive at projected recovery. • For unsecured loans we used CIBIL score and vintage of the loan to establish borrower profiles.
Resolution Approach	• Location spread was limited to majorly 5 states (89.40% of pool by principal outstanding amount) and we concentrated on recovery efforts in Tamil Nadu and Karnataka (71.14% of Portfolio by principal outstanding amount).
Final Outcome	• SRs are fully redeemed in the trust and recovery till March 2025 is Rs. 983.18 million

Case Study IV:

Deal Type	POS acquired	Pricing	Tenor	IRR
Cash Acquisition | Corporate	₹ 1,126.24 million	₹ 816.00 million (72.45%)	4 years	28.44%

Borrower Overview	An electrical equipment manufacturer.
Acquisition Approach	• The company was facing challenges including challenges shortage of working capital and loss in overseas acquisition.
Resolution Approach	We undertook the following resolution approach: • Assessment of sustainable debt levels, which was followed by restructuring debt repayment. • Reduced debt burden, thereby increasing EBIDTA levels. • Sale of collaterals such as residential and vacant industrial land and commercial office for realization of cashflows.
Final Outcome	• The resolution strategies adopted resulted in repayment of debt by the company as per the restructured timelines. • Account revived within 4 years from acquisition and was declassified as a stressed asset, with a recovery of Rs. 1,333.98 millions.

Case Study V:

Deal Type	POS acquired	Pricing	Tenor	IRR
Co-Investor Acquisition | Corporate	₹ 2,830.87 million	₹ 1,171.07 million (41.37%)	~3 years	37.96%

Borrower Overview	A solar power generation company.
Acquisition Approach	• The company was facing challenges including challenges of operating at lower plant load factor due to technical issues.
Resolution Approach	We undertook the following resolution approach: • Assessment of sustainable debt levels, which was followed by restructuring debt repayment.
Final Outcome	• The resolution strategies adopted resulted in repayment of debt by the company as per the restructured timelines. • Account revived 3 years from acquisition and was declassified as a stressed asset, with a recovery of Rs. 1,656.76 millions.

Trust, Management Fees, Incentives and Upside

We undertake acquisition of stressed assets through the setting up of a trust. Since incorporation, we have set up 652 trusts, of which we have closed 199 trusts, as of March 31, 2025, where all the security receipts issued by the trust have been redeemed. When the trust receives money from the recovery process, it first uses these funds to cover its expenses. We act as the trustee of such trusts and the trust pays us a management fee for managing the stressed assets. The management fee is based on the average quarterly NAV on the outstanding face value of security receipts depending on the trust's fees structure as defined in the underlying trust offer document. The management fee is paid after redemption of trust expenses but before redeeming the SRs. The trust in agreement with the SR holders also provides for a portfolio recovery fees in certain deals such as retail and structured deals. We charge a certain percentage as collection fees on the recoveries made, depending on the trust's fees structure as defined in the underlying trust offer document. In addition to management fees and portfolio recovery fees, we receive upside income or income from investments which is in the nature of share of profit, as per the terms and conditions specified in the trust offer document, and is recorded once the recoveries from the assets exceeds the recoverable expenses and the cost of investments. Set out below are details in connection with our management fees, recovery incentive and upside on a consolidated and standalone basis:

Particulars (on a Consolidated Basis)	**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Amount (₹ million)	**As a percentage of revenue from operations**	**Amount (₹ million)**	**As a percentage of revenue from operations**	**Amount (₹ million)**	**As a percentage of revenue from operations**
Management Fees	1,117.88	19.22%	1,632.29	26.94%	1,608.24	19.87%
Unbilled Management Fees	(150.19)	(2.58%)	(376.72)	(6.22%)	(367.29)	(4.54%)
Total Management Fee	967.69	16.63%	1,255.57	20.73%	1,240.95	15.34%
Portfolio Recovery Fees	304.56	5.24%	210.66	3.48%	403.33	4.98%
Upside Income/ Income from Investments (corresponds to other operating income in the Restated Consolidated Financial Information)	1,988.01	34.17%	1,498.95	24.74%	1,839.04	22.73%

Particulars (on a Standalone Basis)	**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Amount (₹ million)	**As a percentage of revenue from operations**	**Amount (₹ million)**	**As a percentage of revenue from operations**	**Amount (₹ million)**	**As a percentage of revenue from operations**
Management Fees	1,368.93	22.95%	1,969.41	34.55%	1,680.32	22.37%
Unbilled Management Fees	(122.17)	(2.05%)	(505.49)	(8.87%)	(382.96)	(5.10%)
Total Management Fees	1,246.76	20.90%	1,463.92	25.68%	1,297.36	17.27%
Portfolio Recovery Fees	466.91	7.83%	323.05	5.67%	436.23	5.81%
Upside Income/ Income from Investments (corresponds to other operating income in the Restated Standalone Financial Information)	1,922.53	32.23%	823.38	14.44%	1,635.17	21.76%

Capital Adequacy Ratios

The RBI Master Directions requires ARCs to maintain, on an ongoing basis, a capital adequacy ratio of minimum 15% of our total risk weighted assets. The table below sets forth the details of our capital adequacy ratio as at the dates indicated:

Particulars	**Fiscal 2025**	**Fiscal 2024**	**Fiscal 2023**
Total Risk Weighted Assets	**28,301.77**	**24,148.57**	**22,333.51**
Tier I Capital	25,637.94	23,915.15	21,399.42
Tier II Capital	-	-	-
Total Capital	**25,637.94**	**23,915.15**	**21,399.42**
Tier I Capital Adequacy Ratio	90.59%	99.03%	95.82%
Tier II Capital Adequacy Ratio	-	-	-
Overall Capital Adequacy Ratio	**90.59%**	**99.03%**	**95.82%**

For further information, see "*Risk Factors- We may have to comply with stricter regulations and guidelines issued by regulatory authorities in India, including the RBI, which may increase our compliance costs, divert the attention of our management and subject us to penalties*" on page 47.

Risk Management

Our risk management framework has been formulated considering the guidelines and directions issued by the RBI and the Ministry of Corporate Affairs on risk management framework. We have established a comprehensive framework for timely and efficient risk management, identification, assessment, prioritization, monitoring, and reporting. We have also created systems and procedures to manage risks, optimize resources, protect us from downsides, and ensure appropriate and reasonable returns based on the adopted risk profile. We have adopted the "*Three Lines of Defence Model*" for management of risk:

- Risk Owners- The first line of defence is the business groups and business support functions such as legal, valuations, publication, finance, that will own the risks and manage it, as per laid down risk management guidelines. The primary responsibility for managing risks on a day to day basis will continue to lie with the respective functions within the Company.

- Risk Management Group and Compliance Group- the second line of defence is the risk management group along with the compliance group that supports the first line of defence. The risk management group may provide support by drawing up suitable risk management guidelines from time to time to be able to manage and mitigate the risks of the Company. The compliance group ensures that the policies of the organization are framed in compliance with regulatory guidelines and tests the implementation of our policies and procedures.

- Internal Audit- The third line of defence is the internal audit function which is supported by external audit firms. This line of defence focusses on providing the assurance that risk management principles, policies and processes are well entrenched in the organization and are achieving the objective of managing the risks of the organization.

Risk Governance Structure

While the Board of Directors is responsible for overall governance and oversight of core risk management activities, execution strategy has been delegated to the risk management committee by the Board. Policies, processes and systems have been put in place and reviewed periodically to enable the risk management capability. Risk monitoring tools have been established and are regularly reviewed to monitor the performance against acceptable risk appetite.

Nature of Risk

We face various internal and external risk which include but are not limited to: (i) business risk encompassing credit risk, financial risk, operational risk, compliance and regulatory risk, reputational risk, and competition risk; (ii) solvency, liquidity and market risk; (iii) interest rate risk; (iv) human resource risk; (v) information technology and information security and data protection risk; (vi) concentration risk (such as exposure to a selling institution or its group, industry level exposure, borrower level exposure or unsecured exposure); (vii) fraud risk and anti-money laundering risk; (viii) outsourcing risk; and (ix) legal risk.

Risk Management Framework

Set out below are the broad components of the risk management framework:

- Risk identification, assessment and measurement, reporting and prioritization- this includes review of acquisition, resolution and other business proposals and identifying and documenting the risk areas, risk control and self-assessment, review of risk appetite statement, periodic review and improvement of company level policies and special assignments.

- Risk mitigation/ risk strategy- once the risks are identified and measured, the risks are discussed with the risk owners to formulate a risk mitigation plan in line with the regulatory framework. Roles and responsibilities are defined at this stage for timely action. Agreed action plans for all recorded risks are to be actively and timely tracked for resolution. Closure of the risk events is done after review of available evidence. As a strategy for risk management, we recognise that risks in relation to our business may not be completely eliminated, however, it can be mitigated through the following- (i) sharing of risk with another party through joint investments in financial assets; (ii) reduced risk, by introducing adequate internal controls; (iii) avoiding risk by not taking exposure into assets which have improper documentation; and (iv) transferring risk to another party willing to take risk, i.e., insurance coverage to protect our interest on underlying securities of financial assets acquired by us.

Operational Risk Management Framework

Operational risk is defined as potential loss from inadequate or failed internal process, technical errors, transactional or human lapses or from any internal or external legal event. Effective management of operational risk is crucial to mitigate potential financial losses, reputational damage and disruptions that can result from internal and external factors. We manage operational risk through appropriate operational guidelines/ standard operating procedures, effective governance framework and an effective response management system.

For details, see "*Risk Factors- If we fail to identify, monitor and manage risks and effectively implement our risk management policies, it could have a material adverse effect on our business, financial condition, results of operations and cash flows*" on page 48.

Credit Ratings and Recovery Ratings

Set forth below are details of our credit ratings obtained in the last three Fiscals:

Date of Issue of Credit Rating	Instrument	Rating Agency	Rating
March 20, 2025	INR 3.0 billion NCD programme	ICRA Limited	ICRA AA- (Stable)
March 20, 2025	INR 12.0 billion long term-fund based-others	ICRA Limited	ICRA AA- (Stable)
April 2, 2024	INR 2.0 billion NCD programme	ICRA Limited	ICRA AA- (Stable)
April 2, 2024	INR 1.0 billion NCD programme	ICRA Limited	ICRA AA- (Stable)
April 2, 2024	INR 7.5 billion bank facilities programme	ICRA Limited	ICRA AA- (Stable)
March 29, 2023	INR 2.0 billion NCD programme	ICRA Limited	ICRA AA- (Stable)
November 9, 2022	INR 7.5 billion bank loans	India Ratings & Research	IND A+/ Stable
November 3, 2022	INR 2.0 billion short term debt/commercial paper	India Ratings & Research	IND A1+

For further information, see "*Risk Factors- Any downgrade in our credit ratings may increase interest rates for raising new debt, refinancing our outstanding debt, which would increase our financing costs, and adversely affect our future ability to borrow on a competitive basis*" on page 53.

Set forth below are details of the recovery ratings assigned to the rated SRs issued by the trusts managed by us, as of the dates indicated:

Recovery Ratings	Percentage of outstanding rated AUM		
	As of March 31, 2025	**As of March 31, 2024**	**As of March 31, 2023**
RR1+(1)/RR1(2)	34.32%	34.33%	33.42%
RR2(3)	44.95%	45.30%	43.49%
RR3(4)	17.65%	15.81%	18.80%
RR4/ RR5(5)	3.08%	4.56%	4.29%
Total	**100.00%**	**100.00%**	**100.00%**
Unrated(6)	Rating is under process		

(1) RR1+: Indicates 150% and above recovery of outstanding face value of SRs.
(2) RR1: Indicates 100% to 150% recovery of outstanding face value of SRs.
(3) RR2: Indicates 75% to 100% recovery of outstanding face value of SRs.
(4) RR3: Indicates 50% to 75% recovery of outstanding face value of SRs.
(5) RR4: Indicates 25% to 50% recovery of outstanding face value of SRs; RR5: Indicates 0% to 25% recovery of outstanding face value of SRs.
(6) An unrated portfolio is on account of new acquisitions which were in the process of being rated.
Note: For SRs over 8 years, the ratings are compulsorily withdrawn based on guidelines prescribed by RBI, except in certain exceptional circumstances, as prescribed by the RBI. In accordance with the guidelines prescribed by RBI, the above table includes certain SRs, where the SRs issued by the trusts managed by us are over 8 years, but where the RBI guidelines allow for such SRs to be rated.

Internal Audit

Our internal audit processes are designed to ensure operational integrity, compliance and effective risk management throughout the organization, with the objective of reviewing asset acquisition procedures and asset resolution measures. The scope of our internal audit includes matters involving the following:

- *Asset acquisition*- adherence to the policy, prudential norms and business rules for business valuation, diligence and reporting, risk management process and review of post-acquisition activities.

- *Asset resolution*- review of resolution execution including adherence to policy, operations manual and RBI guidelines, expense review, asset recover process, process for early settlement, restructuring/ rescheduling of debts, review of existing insurance on the assets acquired and process of selection of third party to restructure assets.

- *Retail operations*- review of transactions including servicing operations with respect to internal controls and procedures laid out, commission payment process, review of SARFAESI proceedings, review of adherence to approval matrix for retail cases and process for retail resolution at branch.

- *Legal and compliance*- review of direct and indirect taxation statutory compliances, review of compliance framework design, system and process and its operational effectiveness, compliance to NAV guidelines by RBI and verification of reporting of borrower credit information to the credit information companies.

- *Finance and accounts*- general ledger review, verification of transaction booking under appropriate heads of accounts, revenue recognition process, accruals and provisions process, review of booking of expenses based on underlying contracts including outsourcing agencies an authorization processes. We review the NAV process for verification of application and computation of NAV declared for SRs, its accounting and computation of impairment provision, if any.

Through ongoing monitoring and continual improvement, we ensure that our internal audit processes play a critical role in safeguarding our assets and supporting sustainable growth.

Information Technology

We are a technology driven company and have implemented an information technology infrastructure to build a scalable and efficient operating model. We utilize proprietary platforms for asset tracking, case management and compliance monitoring. We use several tools to assist us with our due diligence functions including for valuing an asset, checking borrower history and the probability of recovery basis the underlying value of assets, revival of borrower business basis sustainable cashflows, and associated litigations. We use data analytics and have developed a scorecard to assist us with predicting the risk profile of borrowers, probability of recovery and decision making.

We have also engaged platforms to verify KYC information and information of each case and extract the KYC image of each borrowers. The system extracts and uploads the KYC images in our loan management system and tags the borrowers as KYC compliant. After each payment is made, our AI and machine learning systems can the payers name for AML, FATF and PEP certifications and the relevant loans are updated and tagged accordingly.

For the collection of Retail loans, we use geo-tracking for field agents, UPI and QR code based payments to provide seamless collection mechanisms, and generation of heat maps and risk models which identify stress clusters based on geography, product or borrower type. For our Retail loans, we employ technology to undertake pin code data scrubbing which includes standardizing, and verifying postal code data to ensure its accuracy and consistency. The intent of undertaking this process is to enhance the quality of data, improve operational efficiency, reduce errors in communications, and ensure timely follow up and reach for loan recovery from the retail borrowers.

We use a loan management system that enables us to send online settlement offers and restructuring proposals to retail borrowers on our platform. Once the settlement proposals are approved, an automated email and SMS with one time settlement letters are sent to the borrowers. We are in the process of developing an interface through which borrowers will be able to access their loan details, submit their one-time settlement/ restructuring offers and receive instant approvals without manual intervention, followed by payment links for making payments. We have also integrated a payment gateway with the loan management system. Upon completion of payments, automated communications are sent to borrowers by way of email and SMS with payment receipts.

Our Network

As of March 31, 2025, we have 13 offices spread across 12 states (including Delhi) in India. Our offices are located in major cities in India including Ahmedabad, Bangalore, Bhubaneshwar, Chennai, Delhi, Hyderabad, Indore, Jaipur, Kolkata, Lucknow, Ludhiana and Pune. Our external collection agents supporting our retail stressed asset business are present across 12 states (including Delhi) in India.

Corporate Social Responsibility

We constituted a corporate and social responsibility ("**CSR**") committee of our Board of Directors and have adopted and implemented a CSR policy on June 23, 2025, pursuant to which we carry out our CSR activities. Pursuant a resolution passed by the Board at its meeting held on May 25, 2025 the Corporate Social Responsibility Committee was renamed as Corporate Social Responsibility and Environmental, Social and Governance Committee ("**CSR and ESG Committee**"). Further the CSR and ESG Committee, has adopted and implemented an ESG policy on May 25, 2025, which integrates environmental, social responsibility and sound governance principles into our business operations and decision making process. Moreover, the CSR and ESG Committee oversees implementation of projects in the fields of energy efficiency, climate risk and social equity in addition to promoting human rights, corporate ethics and diversity. Over the past three Fiscals, we have undertaken various CSR projects in education, environmental sustainability, and health and nutrition. Our initiatives include upgrading infrastructure for schools, particularly for speech and hearing-impaired students, renovating and constructing sanitation facilities, and implementing solar lighting in schools. Additionally, we have supported the treatment of patients suffering from cataract, congenital heart disease, and cancer. Further, through our CSR initiatives, we strive to promote elderly care, education for the girl child, special and employment enhancing education for the differently abled and conservation of natural resources. These efforts reflect our commitment to enhancing community well-being and promoting a sustainable future.

Our contributions under corporate social responsibility for Fiscal 2025, Fiscal 2024 and Fiscal 2023 were ₹ 61.93 million, ₹ 26.20 million and ₹ 4.87 million, respectively.

For further information, see "*Our Management – Corporate Social Responsibility and Environmental, Social and Governance Committee*" on page 224.

Awards and Accreditations

See, "*History and Certain Corporate Matters – Key awards, accreditations, certifications and recognition received by our Company*" on page 205.

Competition

The asset reconstruction industry in India is highly competitive. We generally compete on the basis of AUM, recovery, acquisition, PAT and leverage, with other ARCs in India. Our primary competitors include Edelweiss ARC, Phoenix, JM Financial ARC, ACRE and Omkara. (*Source: CRISIL Report*) Given our business and strategies, we are well positioned to compete with these companies. For further information on the competition we face in the markets in which we operate, see "*Industry Overview – Peer Comparison*" on page 156.

See also, "*Risk Factors – The asset reconstruction industry is highly competitive and if we are not able to compete effectively, it could adversely affect our business and results of operations*" *on* page 55.

Intellectual Property

As on the date of this Draft Red Herring Prospectus, we have registered one trademark under class 36, three copyrights under class 'computer software work', and have not filed any application for the registration of any trademarks or copyrights. Our logo, , is registered under class 36.

For further information, see "*Government and Other Approvals – Intellectual Property Rights*" on page 430. See also, "*Risk Factors – If we fail to protect or incur significant costs in defending our intellectual property or if we infringe the intellectual property rights of others, our business, results of operation, financial condition and cash flows could be adversely affected*" on page 56.

Employees

As of March 31, 2025, we had 193 permanent employees. The table below sets forth details of our permanent employees by function, as of March 31, 2025:

S. No.	Functions	Number of Employees as of March 31, 2025
1.	Retail Acquisition & Collection	48
2.	Finance & Budget	31
3.	Collection : Corporate and SME and Other loans	27
4.	Legal	24
5.	Acquisition: Corporate and SME and Other loans	9
6.	Risk Management	8
7.	Technology Solution	8
8.	Administration	7
9.	Data Management System	7
10.	Human Resources	6
11.	Company Secretary	4
12.	Process Group	3
13.	Compliance	1
14.	Valuation	2
15.	Internal Audit	2
16.	Corporate Communication	2
17.	CEO and MD's office	2
18.	Corporate Social Responsibility	1
19.	Publication	1
Total		**193**

The following table sets forth the details regarding rate of attrition of our employees in the years indicated:

Particulars	As at/ for the year ended March 31, 2025	As at/ for the year ended March 31, 2024	As at/ for the year ended March 31, 2023
Number of employees	193	221	229
Attrition rate of our employees	23.83%	17.65%	17.47%

Note: Attrition rate represents number of resignations as a percentage of closing number of employees as at the end of the respective year.

Also, see "*Risk Factors – Our operations are dependent on our ability to attract and retain qualified personnel, including our Key Managerial Personnel and Senior Management and any inability on our part to do so, could adversely affect our business, results of operations, financial condition and cash flows.*" on page 52.

Insurance

We generally maintain insurance covering our assets and operations at levels that we believe to be appropriate and consistent with industry standards in India. We maintain a group mediclaim policy, personal accident insurance, group term life insurance, directors and officers liability insurance policy and fixed asset policy.

See "*Risk Factors – Our insurance coverage may not be adequate or we may incur uninsured losses or losses in excess of our insurance coverage which could have an adverse impact on our business, results of operations, financial condition and cash flows*" on page 62.

Properties

Our Registered and Corporate Office is located in Mumbai, Maharashtra and is owned by us. The table below provides details of our registered office and other offices as of the date of this Draft Red Herring Prospectus:

Property	Address	Arrangement (Owned/ Leased)	Whether lessor is a related party or not	Validity
Registered and Corporate Office	10th Floor, The Ruby, 29 Senapati Bapat Marg, Dadar West, Mumbai 400028, Maharashtra	Owned	NA	NA
DMS	2nd Floor, F-205, Deck Level, ITC Park, CBD Belapur Railway Station Building, Navi Mumbai 400614	Leased	No	For a period of 99 years period commencing October 31, 1991
Ahmedabad	Office No. 610, Sun Square Building, 6th Floor, Near Klassic Gold, Off C.G. Road, Naurangpura, Ahmedabad, Gujarat PO: 380009	Leased	No	For a period over 10 years 2 months commencing January 15, 2016 to March 31, 2026
Bangalore	Unit No. 3, 3rd Floor, Vishishta Arcade, No. 2243, 23rd Cross, Banashankari 2nd Stage, Bangalore PO: 560070	Leased	No	For a period of 3 years commencing July 29, 2025 till July 28, 2028
Bhubuneshwar	Room No. 2A, 2nd Floor, Metro House, Plot No-A/410, PS. Shaheed Nagar, Bhubaneswar, Odisha PO: 751007	Leased	No	For a period of 3 years and 11 months commencing April 15, 2022 to March 14, 2026
Chennai	Office No. 1-G, No. 560-562, 1st Floor, Century Plaza Anna Salai, Teynampet Chennai, Tamil Nadu PO: 600018	Leased	No	For a period of two years October 31, 2023 to October 31, 2025
Delhi	Office No. 1008, 11th Floor, Westend Mall, Janakpuri District Centre, Janakpuri, New Delhi PO: 110058	Leased	No	For a period of 5 years commencing June 21, 2021 till June 20, 2026
Hyderabad	Unit No. 207, 2nd Floor, Bhuvana Tower, CMR Shopping Complex, SD Road Above Minerva Grand Hotel, , Near Patny Circle, Secunderabad, Telangana PO: 500003	Leased	No	For a period of 60 months commencing May 1, 2022, to April 30, 2027
Indore	Unit No. 416-B, 4th Floor, D. M. Tower, 21/1, Race Course Road, Nr. Janjerwala Square, New Palasia, Indore, Madhya Pradesh PO: 452001	Leased	No	For a period of 3 years commencing November 1, 2022
Jaipur	Office No. 503 (West Part), 5th Floor, City Corporate Building, Plot No. D-3, Malviya Marg, C-Scheme, Jaipur, Rajasthan PO: 302001	Leased	No	For a period of 24 months commencing January 1, 2025
Kolkata	Unit No.1001, 10th Floor, Signet Tower, DN 2, Sector V, Salt Lake, Kolkata 700091, West Bengal	Leased	No	For a period of 33 months commencing June 1, 2024 to February 28, 2027
Lucknow	1st Floor, Iznaa, Tower, Plot # C -48, Vibhuti Khand, Gomti Nagar, Lucknow PO: 226010	Leased	No	For a period of 3 years commencing December 15, 2022 to December 15, 2025
Ludhiana	Office No. 404, 4th Floor, Apra Tower SCO-130-132, Near Basant Restaurant, Feroze Gandhi Market Ludhiana, Punjab PO: 141001	Leased	No	For a period of 5 years and 6 months commencing October 1, 2020, to March 31, 2026
Pune	Unit 211 & 212, 2nd Floor, Plot No. 28/2, Zenith Complex, K.M. Gandhi Path, Shivaji Nagar, Pune PO: 411005	Leased	No	For a period of five years commencing July 1, 2023 to July 1, 2028

Also, see "*Risk Factors – Our branch offices are not located on land owned by us and we have only leasehold rights. In the event we lose or are unable to renew such leasehold rights, our business, results of operations, financial condition and cash flows may be adversely affected*" on page 59.

KEY REGULATIONS AND POLICIES

The following is an indicative summary of certain relevant industry specific laws, regulations and policies in India which are applicable to our business and operations. The information available in this section has been obtained from publications available in public domain. The description of laws and regulations set out below may not be exhaustive and is only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of the Indian law, which are subject to amendments or modification by subsequent legislative actions, regulatory, administrative, quasi-judicial, or judicial decisions. For details, see "Risk Factors - Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects and results of operations" on page 64.

Under the provisions of various Central Government and State Government statutes and legislations, we are required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details of such licenses and registration required to be obtained by our Company, see "Government and Other Approvals" on page 429.

Business related laws

Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act")

The SARFAESI Act provides the legal framework for securitisation of financial assets, enforcement of security interests, and the reconstruction of non-performing assets ("**NPAs**") in India. It enables Asset Reconstruction Companies ("**ARCs**") to acquire NPAs from banks and financial institutions and undertake recovery or resolution without court intervention. ARCs are required to be registered with the Reserve Bank of India ("**RBI**") under Section 3 of the SARFAESI Act and must comply with conditions relating to *inter alia* minimum net owned fund and prudential norms. The SARFAESI Acts defines a sponsor as any person holding not less than ten per cent of the paid-up equity capital of an ARC. Further, under Section 5 of the SARFAESI Act, ARCs may acquire financial assets either by agreement or through issuance of debentures or bonds or any other security in the nature of debenture, and upon acquisition, the ARCs assumes the rights of the lender. To raise funds from qualified institute buyers or such other category of investors including non-institutional investors (as may be specified by the RBI in consultation with SEBI, from time to time), ARCs are permitted under Section 7 to set up trusts and issue SRs through such trusts, representing undivided interest in the acquired assets. Such SRs are exempt from registration under Section 8 of the Act.

ARCs may implement reconstruction measures such as determining company policies and issue directions in relation to income recognition, accounting standards, making provisions for bad and doubtful debts, capital adequacy based on risk weights for assets and also relating to deployment of funds, call for statements and information, and takeover management upon conducting audit and inspection if the conduct of the company is detrimental to the public interest or interests of investors in SRs. The RBI exercises regulatory oversight under Sections 12, 12A and 12B, and is empowered to issue binding directions, conduct inspections and audits, and take corrective action to ensure compliance and protect investor interests. Additionally, the SARFAESI Act enables ARCs, as secured creditors, to enforce security interests and take possession of secured assets upon borrower default, without judicial proceedings. The SARFAESI Act enables ARCs to play a critical role in resolving stressed assets and improving recovery efficiency in the financial system.

The Reserve Bank of India Act, 1934, as amended (the "RBI Act")

The RBI Act is the central legislation governing the constitution, powers and functions of the RBI. The RBI Act provides for the regulation of the issue of bank notes and the maintenance of reserves with a view to securing monetary stability in India and for the operation of the currency and credit system in a manner conducive to the country's economic advantage. The RBI Act vests the RBI with statutory authority to carry out functions including the issuance and withdrawal of currency, implementation of monetary policy, regulation of interest rates and liquidity, and the management of public debt and governing financial arrangements of banking companies. The RBI Act enables the RBI to exercise regulatory oversight over ARCs as authorised under other applicable laws, including the SARFAESI Act, 2002. It prescribes penalties for contraventions, including imprisonment, fines, and monetary penalties. The RBI Act establishes the legal basis for comprehensive regulation and supervision of financial institutions including ARCs, ensuring compliance and stability of the financial sector. The RBI is authorized to issue licenses to ARCs, conduct inspections, impose conditions on their operations, and take enforcement action to ensure compliance with applicable laws.

Reserve Bank of India (Asset Reconstruction Companies) Directions, 2024 ("Master Directions")

The Master Directions have been issued under the SARFAESI Act, 2002 and the RBI, and supersede the earlier directions issued by the RBI in relation to the ARCs. The Master Directions set out a consolidated regulatory framework governing the registration, eligibility criteria, capital requirements, governance, conduct, and prudential operations of ARC. Pursuant to the Master Directions, ARCs are required to obtain registration from the RBI and maintain a minimum Net Owned Fund of ₹300 crore by March 31, 2026. The Master Directions prescribe conditions relating to permissible activities, including acquisition, reconstruction and securitisation of financial assets, and impose restrictions on non-permissible activities such as accepting public deposits, carrying on banking or financial business other than that related to asset reconstruction, raising monies by way of debentures or bonds without prior RBI approval, and extending loans or advances, except in cases where such lending forms part of a resolution plan approved under the IBC or any other applicable regulatory framework. Further, investment of surplus funds as permitted under board approved policy under the Master Directions.

These directions mandate compliance with fit and proper criteria for sponsors, directors and key managerial personnel, and prescribe corporate governance standards including board composition, appointment of directors, establishment of internal audit and compliance functions, and constitution of committees, as applicable. The Master Directions also lay down prudential norms with respect to income recognition, asset classification, provisioning requirements, investment restrictions and capital adequacy, requiring ARCs to maintain a minimum capital of minimum 15% of its total risk weighted assets. Specific guidelines are provided in relation to accounting treatment of investments in SRs and provisioning requirements where the net asset value of SRs is lower than the book value. ARCs are required to prepare and implement a resolution plan within six months of acquisition of financial assets for its realisation, and ensure adherence to timelines, documentation and regulatory disclosures. The Master Directions also set out obligations in respect of disclosures related to SRs and periodic reporting requirements. These Directions are aimed at strengthening regulatory oversight, ensuring financial discipline, and enhancing the governance and operational efficiency of ARCs in furtherance of the objective of effective resolution of stressed assets.

Recovery of Debts due to Banks and Financial Institutions Act, 1993, as amended ("DRT Act")

Under the DRT Act, the procedures for recovery of debt have been prescribed and time frames have been fixed for speedy disposal of cases. The DRT Act prescribes the rules for establishment of Debt Recovery Tribunals ("**DRTs**"), procedure for making application to DRTs, powers of DRTs and modes of recovery of debts determined by DRTs, including inter alia attachment and sale of movable and immovable properties of defendants, taking possession of property over which security interest is created or any other property of the defendant and appointing receiver for such property and to sell the same, arrest of defendants, defendants' detention in prison and appointment of receivers for management of the movable or immovable properties of defendants. The DRT Act also provides that a bank or public financial institution, having a claim to recover its debt may join an ongoing proceeding filed by some other bank or public financial institution against its debtor at any stage of the proceedings before the final order is passed by making an application to the DRT.

Insolvency and Bankruptcy Code, 2016, as amended (the "IBC")

The IBC empowers creditors, whether secured, unsecured, financial, operational or decree holder to trigger resolution processes to start at the earliest sign of financial distress, provides for a single forum to oversee insolvency and liquidation proceedings, enables a calm period where new proceedings do not derail existing ones, provides for replacement of the existing management during insolvency proceedings while maintaining the enterprise as a going concern, offers a finite time limit within which the debtor's viability can be assessed and prescribes a linear liquidation mechanism.

Indian Trusts Act, 1882 ("Indian Trusts Act")

The Indian Trusts Act provides the legal framework governing private trusts in India and lays down the rights, powers, and duties of trustees and the rights of beneficiaries. The objective of the Indian Trusts Act is to regulate fiduciary relationships arising from the transfer of property to trustees for the benefit of beneficiaries. It defines a trust as an obligation annexed to the ownership of property, arising out of a confidence reposed in and accepted by the owner, for the benefit of another person or for the owner himself and another. Trusts are established by ARCs to hold financial assets acquired from lenders, which are then issued as SRs under SARFASEI Act, 2002 to investors within a segregated management of the financial asset.

Prevention of Money Laundering Act, 2002 ("PMLA")

The PMLA was enacted to prevent money laundering and to provide for confiscation of property derived from, or involved, in money laundering, and for incidental matters connected therewith. Section 12 of the PMLA inter-alia casts certain obligations on reporting entities (as defined under the PMLA) in relation to preservation of records and reporting of transactions.

Labour Related Legislations

The employment of workers, depending on the nature of the activity, is currently regulated by a wide variety of generally applicable labour legislations, including the Industrial Disputes Act, 1947, the Contract Labour (Regulation and Abolition) Act, 1970, Industrial Employment (Standing Orders) Act, 1946, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Employee's Compensation Act, 1923, the Trade Unions Act, 1926, the Payment of Bonus Act, 1965, the Equal Remuneration Act, 1976, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Child Labour (Protection Regulation) Act, 1986, the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Employees' State Insurance Act, 1948, Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Apprentices Act, 1961.

In order to rationalise and reform labour laws in India, the Government has enacted the following codes:

- Code on Wages, 2019, which received the assent of the President of India on August 8, 2019 and regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees. It subsumes four existing laws, namely the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976.

- Industrial Relations Code, 2020, which received the assent of the President of India on September 28, 2020 and which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

- Code on Social Security, 2020, which received the assent of the President of India on September 28, 2020 and which amends and consolidates laws relating to social security. It governs the constitution and functioning of social security organisations such as the employees' provident fund and the employees' state insurance corporation, regulates the payment of gratuity, the provision of maternity benefits, and compensation in the event of accidents to employees, among others. It subsumes various legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, and the Payment of Gratuity Act, 1972.

- Occupational Safety, Health and Working Conditions Code, 2020, which received the assent of the President of India on September 28, 2020 and amends and consolidates laws regarding the occupational safety, health and working conditions of persons employed in an establishment. It proposes to subsume various legislations including the Factories Act, 1948, and the Contract Labour (Regulation and Abolition) Act, 1970 and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979. This code proposes to provide for, among other things, standards for health, safety and working conditions for employees of establishments, and will come into effect on a date to be notified by the Central Government.

Certain portions of the Code on Wages, 2019, and Code on Social Security, 2020, have come into force upon notification dated December 18, 2020 and May 03, 2023, respectively, by the Ministry of Labour and Employment. The remainder of these codes shall come into force on the day that the Government shall notify for this purpose.

The Shops and Establishment Acts ("S&E Act")

The Shops & Establishment Acts, and Rules, are applicable to all the shops and commercial establishments in the areas notified by Government of respective States. The S&E Act is enacted for the purpose of protecting the rights of employees. The objective of the S&E Act is to regulate the working and employment conditions of worker employed in shops and establishments including commercial establishments. The S&E Act generally provides for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. The S&E Act also provides that the total number of hours worked by a young person employed in the business of the establishment, exclusive of intervals for meals and rest should not exceed 30 hours in one week and five hours in any one day. The S&E Act requires every establishment covered under it to obtain a registration by the owner or authorized person.

Intellectual property laws

The Trade Marks Act, 1999 (the "Trade Marks Act")

The Trade Marks Act provides for the application and registration of trade marks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label and heading and to obtain relief in case of infringement of registered trade marks. The Trade Marks Act prohibits the registration of any trade marks which are, among others, (a) devoid of any distinctive character, (b) consist exclusively of marks or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, values, geographic origin or the time of production of the goods or rendering of the service or other characteristic of the goods or service or (c) consist exclusively of marks or indications which have become customary in the current language or in the *bona fide* and established practices of the trade. A trademark registration under the Trade Marks Act is valid for a term of 10 years, subject to renewal or removal from the register of trade marks.

The Copyright Act, 1957 and the Copyright Rules, 2013 (the "Copyright Laws")

The Copyright Laws governs copyright protection in India. While a copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Laws acts as prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Copyright Laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions.

Foreign investment regulations

Foreign Exchange Management Act, 1999 (the "FEMA")

Foreign investment in India is primarily governed by the provisions of FEMA. Pursuant to FEMA, the GoI and the RBI have promulgated various regulations, rules, circulars and press notes in connection with various aspects of foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India.

Foreign Exchange Management Act Rules (the "FEMA Rules")

The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 by Notification No. FEMA. 395/2019-RB dated October 17, 2019 ("**FEMA Rules**") to prohibit, restrict, or regulate transfer by or issue security to a person resident outside India. As laid down by the FEMA Rules, no prior consents and approvals are required from the RBI for Foreign Direct Investment ("**FDI**") under the "automatic route" within the specified sectoral caps. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

Taxation Laws

The Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), relevant state's Goods and Services Act, 2017 (SGST), Union Territory Goods and Services Act, 2017 (UTGST), Integrated Goods and Services Act, 2017 (IGST), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

Further, the Income-tax Act, 1961 (Income Tax Act) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act, or rules made there under depending upon its 'Residential Status' and 'Type of Income' involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. In 2019, the Government has also passed an amendment act pursuant to which concessional rates of tax are offered to a few domestic companies and new manufacturing companies.

Data protection laws

Information Technology Act, 2000 and the rules made thereunder

The Information Technology Act, 2000 (the "**IT Act**") has been enacted with the intention of providing legal recognition to transactions that are undertaken electronically. The IT Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information made available to or hosted by them and creates liability for failure to protect sensitive personal data.

The IT Act has created a mechanism for authenticating electronic documentation by means of digital signatures and provides for civil and criminal liability including fines and imprisonment for various offences. By means of an amendment in 2008, the IT Act legalized the validity of contracts formed through electronic means. The IT Act prescribes various offences, including those offences relating to unauthorized access of computer systems, unauthorized disclosure of confidential information and frauds emanating from computer applications.

Digital Personal Data Protection Act, 2023 (the "DPDP Act")

The DPDP Act was notified on August 11, 2023, and is yet to come into effect. It replaces the existing data protection provision, as contained in Section 43A of the IT Act. The DPDP Act shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of the DPDP Act. The DPDP Act seeks to balance the rights of individuals to protect their digital personal data with the need to process personal data for lawful and other incidental purposes. The DPDP Act provides that personal data may be processed only for a lawful purpose after obtaining the consent of the individual. A notice must be given before seeking consent, except in case of legitimate uses as provided under the DPDP Act. It further imposes certain obligations on data fiduciaries including (i) make reasonable efforts to ensure the accuracy and completeness of data; (ii) build reasonable security safeguards to prevent a data breach; (iii) intimate the Data Protection Board of India (the "**DPB**") and affected persons in the event of a breach; and (iv) erase personal data as soon as the purpose has been met and retention is not necessary for legal purposes. The DPDP Act imposes certain additional obligations on a significant data fiduciary, such as appointment of a data protection officer, appointment of an independent data auditor and undertaking of other measures namely, periodic data protection impact assessment, periodic audit and such other measures as may be prescribed under the DPDP Act.

Other applicable laws

In addition to the above, our Company is also required to comply with other applicable laws and regulations imposed by the central and state governments and other authorities for its day-to-day operations, including the Companies Act, 2013 and rules framed thereunder, the Indian Contract Act, 1872, the Competition Act, 2002, foreign exchange and investment laws and other laws/regulations/rules to the extent applicable. Our Company is also amenable to various central and state tax laws.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as "*Asset Reconstruction Company (India) Limited*" as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated February 11, 2002 and certificate of commencement of business dated May 7, 2003 issued by the RoC. Subsequently, our Company received the certificate of registration by the Reserve Bank of India to commence business of securitisation and asset reconstruction on August 29, 2003.

Changes in registered office of our Company

The following table sets forth the details of the change in registered office of the Company since its date of incorporation:

Effective date of change	Details of change in address of our registered office	Reasons for change
November 24, 2003	Change in registered office from ICICI Bank Towers, Bandra-Kurla Complex, Mumbai, 400 051, Maharashtra, India to 17th Floor, Express Tower, Nariman Point, Mumbai – 400 021, Maharashtra, India	Expiration of lease and license agreement
May 5, 2008	Change in registered office from 17th Floor, Express Tower, Nariman Point, Mumbai – 400 021, Maharashtra, India to Shreepati Arcade, August Kranti Marg, Nana Chowk, Mumbai – 400 036, Maharashtra, India	Growth and expansion of the operations
July 5, 2010	Change in registered office from Shreepati Arcade, August Kranti Marg, Nana Chowk, Mumbai – 400 036, Maharashtra, India to Times Tower, 9th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai – 400013, Maharashtra, India	Expiration of lease and license agreement
May 30, 2011	Change in registered office from Times Tower, 9th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai – 400 013, Maharashtra, India to The Ruby, 10th Floor, 29, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028, Maharashtra, India	Purchase of new office premise

The Registered and Corporate Office of our Company is currently situated at The Ruby, 10th Floor 29, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028, Maharashtra, India.

Main Objects of our Company

The main objects of our Company contained in its Memorandum of Association are as disclosed below:

1. *(a)* *To act as a securitisation and reconstruction company under the SARFAESI and to carry on the business of securitisation and/or asset reconstruction and for that purpose to acquire and/or deal with and/or dispose off any and all assets, partly or wholly including but not limited to financial assets, property, secured assets, of any nature and otherwise to assist or participate in the securitisation, realization or restructuring or reconstruction of financial assets and/or secured assets and for such purpose to mobilize funds in any manner including but not limited to issue of debentures or bonds or other securities and to offer or otherwise issue or deal in security receipts of any nature and tenor to Qualified Institutional Buyers or any other persons, natural or juristic (as may be permitted under the SARFAESI from time to time) and for the purpose aforesaid or in connection with asset reconstruction or securitisation, to act as trustees, managers, administrators, receivers, values or otherwise and to engage, appoint, discharge any intermediaries or agents or professional or consultants.*

(b) *To act as trustees for various trusts set up pursuant to any scheme in accordance with the SARFAESI and for that purpose to set up, promote, settle, approve and execute trust/s and devise various schemes for raising funds in any manner from Qualified Institutional Buyers or any other persons, natural or juristic (as may be permitted under the SARFAESI from time to time) and/or to float various schemes and to issue security receipts and to deploy funds raised and to undertake securitisation and reconstruction transactions, including enforcement of security interest and receive fees for services and to hold the property in trust for the benefit of the beneficiaries of the trust, to undertake and carry on the functions and duties of a trustee and to undertake and execute trusts of all kinds, whether public or private, including declaring the company itself as a trustee and to act in furtherance of any trust directions, discretion or other obligation or permission and generally to carry on the trustee business and in particular and without limiting the generality of the above, to act as trustees.*

(c) *To carry on the business of asset reconstruction, acquisition and/or securitisation of any or all financial assets, property or secured assets, of any nature, either wholly or partly, to take over of management, sale, lease of the business, secured assets, financial assets, property, rescheduling of debts, creation of security interest, enforcement of security interest, settlement of dues and/or taking possession of secured assets, to run, operate and maintain any such secured assets and to distribute the proceeds thereof whether periodically*

or otherwise, to maintain books of account, to formulate policies on all the above matters, including but not limited to, valuation of assets under each scheme formulated by each trust and declaration of Net Asset Value of security receipts, whether in its capacity as a trustee or otherwise.

2. *To issue debentures, debenture stock or bonds or any other security in the nature of the debentures and to undertake and execute any other trusts, and also to undertake the office of or exercise the powers of executor, administrator, receiver, treasurer, manager, agent, custodian and trust corporation; to constitute any trusts which may issue preferred or deferred or any other special stocks, securities, certificates or other documents based on or representing any shares, stocks, financial assets, receivables, debt, securities therefor (if any), or other assets appropriated for the purposes of such trust and to settle and regulate the same.*

3. *To manage, sell or realize any financial asset/property/secured asset which may come or has come into the possession of the Company in satisfaction or part satisfaction of any of its claims, to acquire, hold or generally deal with any financial asset/property or security interest in any such property or part of the security asset for any loans or advances, or which may be connected with any such security asset.*

4. *To purchase, acquire, invest, transfer, sell, dispose of or trade in financial assets, property, secured asset, performing or non-performing, impaired or unimpaired or otherwise.*

5. *To administer, claim, collect, demand, direct, manage, recover, retrieve, repossess, realize, restructure, reconstruct or service financial assets, property, security assets, or appoint agent or manager for such purposes, or guarantee and insure the due payment, fulfilment and performance of obligations, whether wholly or partially, of or with reference to financial assets, property, security assets or instruments or certificates therewith or enter into agreements or arrangements therefor; to carry on the business activities in respect of the management of financial assets, receivables, debt or securities therefor (if any).*

6. *To act as or appoint agents, managers, consultants, advisors, administrators, attorneys, agents, or representatives of or for any person, trust or entity including financial institutions, banks, and to act as a Receiver if appointed by any court or tribunal to manage the secured assets the possession of which has been taken over by the secured creditor (provided that no pecuniary liability is incurred in that behalf) and to receive fees or charges for its services rendered as an agent / manager / consultant / advisor / administrator / attorney / representative / receiver of the secured assets.*

7. *To carry on the business of assisting industrial, financial, service or other enterprises within the private or public sector of industry and commerce in India or outside in general by assisting in the creation, expansion and modernization of such enterprises, encouraging and promoting the participation of private and public capital, both internal or external in such enterprises; encouraging and promoting private ownership of industrial or financial investments and the expansion of capital, money and investment markets, and financing of such enterprises, whether industrial, financial, service or otherwise by way of loans, subscription and participation in securities issued by such enterprises, underwriting of issuance of securities by such enterprises, guaranteeing of loans or other obligations, leasing, hire or hire purchase, investing in, holding, selling or otherwise deal with or trade with such enterprises.*

8. *To promote, organize, manage, hold, dispose, undertake, assist or aid in forming, promoting, organizing, investing in equity capital, managing, holding, disposing, undertaking or assisting in the establishment of any special purpose vehicle/entity or joint venture or bodies corporate or vehicle enabling carrying on of such activities and/or to enter into any association, arrangement, partnership, syndicate, co-operation or union of interest, with any person in the carrying on or conduct of the business, which the Company is authorised to carry on or conduct or from which this Company would or might derive any benefit whether direct or indirect.*

The objects clause as contained in the Memorandum of Association enables our Company to carry on the business presently being carried out.

Amendments to the Memorandum of Association

There have been no amendments to the Memorandum of Association of our Company in the 10 years immediately preceding the date of this Draft Red Herring Prospectus.

Major events and milestones

The table below sets forth some of the major events and milestones in our history of our Company:

Calendar Year	Major events and milestones
2002	Incorporation of the Company
2003	Grant of ARC license from Reserve Bank of India
2007	Started the NPA recovery business

Calendar Year	Major events and milestones
2007	AUM of the Company crossed ₹ 50,000 million in Fiscal 2007
2009	Reserves and surplus of our Company crossed ₹ 10,000 million
2014	Recorded highest acquisition of NPAs at acquisition price of ₹43,692 million in Fiscal 2014
2015	AUM of the Company crossed ₹ 100,000 million in Fiscal 2015
2025	AUM of the Company reaches ₹ 165,000 million in Fiscal 2025

Key awards, accreditations, certifications and recognitions received by our Company

The table below sets forth certain key awards, accreditations, certifications and recognitions received by our Company:

Calendar Year	Award/accreditation/certification/recognition
2010	Our Company has received 'CSI 2010 Awards of Excellence in IT' as runners up in the category banking, financial services and insurance by Computer Society of India
2025	Our Company has received ISO/IEC 27001:2022 certification by Quality Risk Compliance for information security management system

Other details regarding our Company

Significant financial and/or strategic partnerships

Our Company does not have any significant financial and/or strategic partners as of the date of this Draft Red Herring Prospectus.

Defaults, restructuring or rescheduling of borrowings from financial institutions or banks

No payment defaults, restructuring or rescheduling have occurred in relation to outstanding borrowings availed by our Company from any financial institutions or banks as on the date of this Draft Red Herring Prospectus.

Capacity/facility creation, location of branches

For details regarding locations of our branches, see "*Our Business*" on page 165.

Time and cost overruns

There have been no time and cost over-runs in respect of our business operations.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/ facility creation or location of plants

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets and capacity/facility creation to the extent applicable, see "*Our Business*" on pages 165.

Holding Company

Avenue India Resurgence Pte. Ltd., one of our Promoters, is our Holding Company. For details, see *"Capital Structure - Details of build-up, Contribution and Lock-in of Promoters' Shareholding and Lock-in of other Equity Shares" and "Our Promoters and Promoter Group – Details of the Promoters"* on page 96 and 231, respectively.

Our Subsidiaries

Our Company does not have any subsidiaries as defined under the Companies Act. However, in accordance with Ind AS 110 and our accounting policies, the following trusts where our outstanding investment in SRs in trusts are more than 25%, have been considered as subsidiaries in the Restated Consolidated Financial Information. Such trusts are set up by our Company for the purposes of acquisition and securitization of financial assets.:

Sr. No	Name of Subsidiaries	Sr. No	Name of Subsidiaries
1.	Arcil-2024C-001 -Trust	97.	Arcil-Retail Loan Portfolio-042-F-Trust
2.	Arcil-2024C-003 -Trust	98.	Arcil-Retail Loan Portfolio-042-G-Trust
3.	Arcil-2024C-004 -Trust	99.	Arcil-Retail Loan Portfolio-042-H-Trust
4.	Arcil-2024C-005 -Trust	100.	Arcil-Retail Loan Portfolio-042-I-Trust
5.	Arcil-2024C-006 -Trust	101.	Arcil Retail Loan Portfolio-045-B-Trust
6.	Arcil-2024C-007-Trust	102.	Arcil-Retail Loan Portfolio-045-C-Trust
7.	Arcil-AARF-II-Trust-Scheme 1	103.	Arcil Retail Loan Portfolio-053-A-Trust
8.	Arcil-AST-001-IX-Trust	104.	Arcil-Retail Loan Portfolio-058-B-Trust
9.	Arcil-AST-001-VI-Trust	105.	Arcil-Retail Loan Portfolio-058-C-Trust

Sr. No	Name of Subsidiaries	Sr. No	Name of Subsidiaries
10.	Arcil-AST-001-XI-Trust	106.	Arcil-Retail Loan Portfolio-060-A-Trust
11.	Arcil-AST-001-X-Trust	107.	Arcil-Retail Loan Portfolio-061-A-Trust
12.	Arcil-AST-001-XVIII-Trust	108.	Arcil-Retail Loan Portfolio-074-A-Trust
13.	Arcil-AST-003-VIII-Trust	109.	Arcil-Retail Loan Portfolio-074-B-Trust
14.	Arcil-AST-017-I-Trust	110.	Arcil-Retail Loan Portfolio-092-A-Trust
15.	Arcil-AST-017-V-Trust	111.	Arcil-Retail Loan Portfolio-42-D-Trust
16.	Arcil-AST-018-I-Trust	112.	Arcil-Retail Port-032-A-Trust
17.	ARCIL-AST-024-II-TRUST	113.	Arcil-Retail Port-042-A-Trust
18.	Arcil-AST-024-I-Trust	114.	Arcil-Retail Port-044-A-T
19.	Arcil-AST-026-I-Trust	115.	Arcil-Retail Port-048-A-Trust
20.	Arcil-AST-030-II-Trust	116.	Arcil-Retail Port-049-A-Trust
21.	Arcil-AST-039-I-Trust	117.	Arcil-Retail Port-050-A-Trust
22.	Arcil-AST-IV-Trust	118.	Arcil-SBPS 001-III TrustScheme A
23.	Arcil-AST-RA-001 Trust	119.	Arcil-SBPS 001-III TrustScheme B
24.	Arcil-AST-VII-Trust	120.	Arcil-SBPS 001-IV TrustScheme A
25.	Arcil-Bellary Steels & Alloys Ltd.-II Trust	121.	Arcil-SBPS 001-IV TrustScheme B
26.	Arcil-Bentels Corporation Limited Trust	122.	Arcil-SBPS 001-V TrustScheme B
27.	Arcil-BPL Display Devices Limited-I Trust	123.	Arcil-SBPS 001-XII Trust
28.	Arcil-CPS 002-II TrustScheme B	124.	Arcil-SBPS 002-I TrustScheme A
29.	Arcil-CPS-002-I TrustScheme A4	125.	Arcil-SBPS 002-I TrustScheme B2
30.	Arcil-CPS-002-I TrustScheme A5	126.	Arcil-SBPS 013-I TrustScheme B
31.	Arcil-CPS-002-I TrustScheme A6	127.	Arcil-SBPS 014-II TrustScheme A
32.	Arcil-CPS-002-I TrustScheme B1	128.	Arcil-SBPS 014-II TrustScheme C
33.	Arcil-CPS-002-I TrustScheme D	129.	Arcil-SBPS 016-I Trust
34.	Arcil-CPS-002-IX Trust	130.	Arcil-SBPS 019-I TrustScheme B
35.	Arcil-CPS-002-VII TrustScheme B	131.	Arcil-SBPS 021-I TrustScheme B
36.	Arcil-CPS-002-VII Trust-Scheme C	132.	Arcil-SBPS 021-I TrustScheme C
37.	Arcil-CPS-002-VII TrustScheme D	133.	Arcil-SBPS 021-II Trust
38.	Arcil-CPS-003-IV Trust	134.	Arcil-SBPS 022-I TrustScheme A1
39.	Arcil-CPS-003-V Trust	135.	Arcil-SBPS 073-I Trust
40.	Arcil-CPS-006-III-Trust	136.	Arcil-SBPS-001-I Trust
41.	Arcil-CPS-008-II-Trust	137.	Arcil-SBPS-001-VI Trust
42.	Arcil-CPS-012-I Trust	138.	Arcil-SBPS-001-VIII Trust
43.	Arcil-CPS-012-II Trust	139.	Arcil-SBPS-001-X Trust
44.	Arcil-CPS-012-III-Trust	140.	Arcil-SBPS-002-II-Trust
45.	Arcil-CPS-032-I-Trust	141.	Arcil- SBPS-006-VII Trust
46.	Arcil-CPS-041-I-Trust	142.	Arcil-SBPS-007-II-TrustScheme A1
47.	Arcil-CPS-II-Trust	143.	Arcil-SBPS-007-II-TrustScheme A2
48.	Arcil-CPS-IV-Trust	144.	Arcil-SBPS-007-II-TrustScheme C
49.	Arcil-Daewoo Motors India Ltd Trust	145.	Arcil-SBPS-008-I Trust
50.	Arcil-Equipment Conductor & Cables Ltd. Trust	146.	Arcil-SBPS-014-I-TrustScheme A
51.	Arcil-Esteem Estate Projects Pvt. Ltd. Trust	147.	Arcil-SBPS-014-I-TrustScheme B
52.	Arcil - Excel Oils and Chemicals Pvt. Ltd. Trust	148.	Arcil-SBPS-025-I Trust
53.	Arcil-Golden Fries Ltd. Trust	149.	Arcil-SBPS-026-II-Trust
54.	Arcil-Hanuman Miner Oil Ltd. Trust	150.	Arcil-SBPS-027-I Trust
55.	Arcil-Indo Deutsche Metallo Chemique-Trust	151.	Arcil-SBPS-028-I-Trust
56.	Arcil-International Sree Balaji Hotels Private Limited Trust	152.	Arcil-SBPS-041-I-Trust
57.	Arcil-Ispat Profiles Trust	153.	Arcil-SBPS-042-I-Trust
58.	Arcil-Jagat Edible Oil India Pvt. Ltd. Trust	154.	Arcil-SBPS-060-I-Trust
59.	Arcil-JCT II Trust	155.	Arcil-SBPS-I-Trust
60.	Arcil-JCT III Trust	156.	Arcil-Shalimar Wires Industries Limited-II Trust
61.	Arcil-Jhagadia Copper Limited Trust	157.	Arcil-Shalimar Wires Industries Limited-III Trust
62.	Arcil-Kiran Overseas Exports Ltd. Trust	158.	Arcil-Shalimar Wires Industries Limited-IV Trust
63.	Arcil-Kishore Dalal & Company Trust	159.	Arcil-The Dhar Textile Mills Ltd. Trust
64.	Arcil-KOEL-I Trust	160.	Arcil-Trust-2025-005
65.	Arcil-KOEL-II Trust	161.	Arcil-Trust-2025-008
66.	Arcil-L. S. P. Agro Limited Trust	162.	Arcil-Trust-2025-010
67.	Arcil-LSIL Trust	163.	Arcil-Trust-2025-015
68.	Arcil-Mafatlal Engineering Industries Ltd Trust	164.	Arcil-Trust-2025C-001
69.	Arcil-Maridia Steel Limited-I Trust	165.	Arcil-Trust-2025C-003
70.	Arcil-Maridia Steel Limited-II Trust	166.	Arcil-Trust-2025C-004
71.	Arcil-Maridia Steel Limited-III Trust	167.	Arcil-Trust-2025C-005
72.	Arcil-Maridia Steel Limited-IV Trust	168.	Arcil-Trust-2025C-006
73.	Arcil-Mukerian II Trust	169.	Arcil-Trust-2025C-007

Sr. No	Name of Subsidiaries	Sr. No	Name of Subsidiaries
74.	Arcil Mukerian Paper Ltd Trust	170.	Arcil-Trust-2025C-008
75.	Arcil-MVR-I Trust	171.	Arcil-Trust-2025C-009
76.	Arcil-MVR-II Trust	172.	Arcil-Trust-2025C-010
77.	Arcil-MVR-III Trust	173.	Arcil-Trust-2025C-011
78.	Arcil-Nath Seeds Limited Trust	174.	Arcil-Trust-2025C-012
79.	Arcil NHB Retail Loan Portfolio 001 Trust	175.	Arcil-Trust-2025C-013
80.	Arcil-NPPML Trust	176.	Arcil-Trust-2025C-014
81.	Arcil-Parasrampuria Synthetics ltd Trust	177.	Arcil-Trust-2025C-015
82.	Arcil-Parekh Platinum Ltd. Trust	178.	Arcil-Trust-2025C-016
83.	Arcil-Polar Industries Limited Trust	179.	Arcil-Trust-2025C-017
84.	Arcil-Polar Industries Limited-II Trust	180.	Arcil-Trust-2025C-018
85.	Arcil-Precision Fastners Ltd-Trust	181.	Arcil-Trust-2025C-019
86.	Arcil-PSL II Trust	182.	Arcil-Trust-2026-001*
87.	Arcil-PSL III Trust	183.	Arcil-Trust-2026-003*
88.	Arcil-PSL IV Trust	184.	Arcil-Trust-2026-004*
89.	Arcil-Retail Loan Portfolio -036-A-Trust	185.	Arcil-Trust-2026-006*
90.	Arcil-Retail Loan Portfolio-002-A Trust	186.	Arcil-Trust-2026C-001*
91.	Arcil-Retail Loan Portfolio-002-B Trust	187.	Arcil-Trust-2026C-002*
92.	Arcil-Retail Loan Portfolio-003-A Trust	188.	Arcil-Trust-2026C-003*
93.	Arcil-Retail Loan Portfolio-029-A-Trust	189.	Arcil-Trust-2026C-004*
94.	Arcil-Retail Loan Portfolio-029-B-Trust	190.	Arcil-Uday Estates Pvt. Ltd. Trust
95.	Arcil Retail Loan Portfolio-042-B-Trust	191.	Arcil-Vama Exports Ltd. Trust
96.	Arcil-Retail Loan Portfolio-042-E-Trust		

** These entities have been identified as Subsidiaries as on the date of this Draft Red Herring Prospectus, since our Company has acquired these entities, post Fiscal 2025 and our investment in security receipts is more than 25% in accordance with IND AS 110 and our accounting policies.*

Associates and Joint Ventures

Our Company does not have any associates as defined under the Companies Act. However, in accordance with Ind AS 110 and our accounting policies, the following trusts, where our outstanding investments in SRs in trusts is between 20%-25%, have been considered as associates in the Restated Consolidated Financial Information.

1. Arcil-AST-003-IV-Trust

The following table sets forth the details of the beneficiary details:

Sr. No.	Name of the SR Holder	Number of SRs held	Percentage of total SR holding (%)
1.	Our Company	100,000	25.00%
2.	IDBI Limited	300,000	75.00%
	Total	**400,000**	**100.00**

2. Arcil-CPS-002-V Trust-Scheme A

Sr. No.	Name of the SR Holder	Number of SRs held	Percentage of total SR holding (%)
1.	Our Company	51,387	20.18%
2.	ICICI Bank Limited	203,261	79.82%
	Total	**254,648**	**100.00**

3. Arcil-CPS-081-I-Trust

The following table sets forth the details of the beneficiary details:

Sr. No.	Name of the SR Holder	Number of SRs held	Percentage of total SR holding (%)
3.	Our Company	183,900	20.00%
4.	Tumkur Grain Merchant Co-operative Bank	735,600	80.00%
	Total	**919,500**	**100.00**

4. Arcil-Retail Loan Portfolio-022-A-Trust

Sr. No.	Name of the SR Holder	Number of SRs held	Percentage of total SR holding (%)
1.	Our Company	76,946	20.00%
2.	DCB Bank	307,783	80.00%

Sr. No.	Name of the SR Holder	Number of SRs held	Percentage of total SR holding (%)
	Total	**384,729**	**100.00**

5. Arcil-Retail Port-046-A-T

The following table sets forth the details of the beneficiary details:

Sr. No.	Name of the SR Holder	Number of SRs held	Percentage of total SR holding (%)
1.	Our Company	59,010	20.00%
2.	Poonawalla Fincorp Limited	236,040	80.00%
	Total	**295,050**	**100.00**

6. Arcil-SBPS-022-II-Trust

The following table sets forth the details of the beneficiary details:

Sr. No.	Name of the SR Holder	Number of SRs held	Percentage of total SR holding (%)
1.	Our Company	40,000	20.00%
2.	DCB Bank	160,000	80.00%
	Total	**200,000**	**100.00**

7. Arcil-SBPS-022-III-Trust

The following table sets forth the details of the beneficiary details:

Sr. No.	Name of the SR Holder	Number of SRs held	Percentage of total SR holding (%)
1.	Our Company	40,000	20.00%
2.	DCB Bank	160,000	80.00%
	Total	**200,000**	**100.00**

8. Arcil-SBPS-022-IV Trust

The following table sets forth the details of the beneficiary details:

Sr. No.	Name of the SR Holder	Number of SRs held	Percentage of total SR holding (%)
1.	Our Company	104,000	20.00%
2.	DCB Bank	416,000	80.00%
	Total	**520,000**	**100.00**

9. ARCIL-TRUST-2024-001

The following table sets forth the details of the beneficiary details:

Sr. No.	Name of the SR Holder	Number of SRs held	Percentage of total SR holding (%)
1.	Our Company	280,000	20.00%
2.	DCB Bank	1,120,000	80.00%
	Total	**1,400,000**	**100.00**

10. Arcil-Trust-2025-012

The following table sets forth the details of the beneficiary details:

Sr. No.	Name of the SR Holder	Number of SRs held	Percentage of total SR holding (%)
1.	Our Company	246,275	25.00%
2.	Poonawalla Fincorp Limited	738,825	75.00%
	Total	**985,100**	**100.00**

11. Arcil-Trust-2025-013

The following table sets forth the details of the beneficiary details:

Sr. No.	Name of the SR Holder	Number of SRs held	Percentage of total SR holding (%)
1.	Our Company	72,620	20.00%
2.	Aye Finance Private Limited	290,480	80.00%
	Total	**363,100**	**100.00**

12. Arcil-Trust-2025-018

The following table sets forth the details of the beneficiary details:

Sr. No.	Name of the SR Holder	Number of SRs held	Percentage of total SR holding (%)
1.	Our Company	83,700	20.00%
2.	Vastu Housing Finance Corporation Ltd	334,800	80.00%
	Total	**418,500**	**100.00**

As on the date of this Draft Red Herring Prospectus, our Company has no joint ventures.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations, and revaluation of assets, if any, in the last ten years

Our Company has not made any divestments of any material business or undertaking, not made any material acquisition and has not undertaken any material mergers, amalgamation or revaluation of assets in the 10 years immediately preceding the date of this Draft Red Herring Prospectus.

Shareholders' agreements and other agreements

As on the date of this Draft Red Herring Prospectus, except as stated below, there are no agreements entered into by and between our Company and Shareholders of our Company or any inter-se agreements with the Shareholders with regard to rights and obligations in connection with the securities of our Company:

Share Subscription Agreement dated August 12, 2008 and amendment to the Share Subscription Agreement dated November 20, 2008 ("SSA") entered into between Lathe Investment Pte. Ltd. ("Investor Selling Shareholder") and our Company (Company and Investor Selling Shareholder, collectively referred to as Parties)

Pursuant to the SSA, the Investor Selling Shareholder acquired 32,164,818 Equity Shares having face value of ₹ 10 per equity share at the price of ₹ 84 per equity share based on certain conditions and considerations as stipulated in the SSA. The SSA, inter alia, provides for conditions under which the allotment of the Equity Shares were made to Investor and provides for information rights to Investor Selling Shareholder for right to receive (i) minutes of the meetings of the Company, Shareholders and the committees within 21 business days; (ii) audited financial statements for each fiscal within 21 business from the date of the approval by the Board; (iii) notice of the happening of any labour strikes, lockouts shut-downs etc ("**Information Rights**"). In cases where (i) Investor Selling Shareholder ceases to hold or control at least 5% of the share capital of our Company; or (ii) where there has been change in control of Investor; or (iii) our Company initiates the process for Offer, then Investor Selling Shareholder shall cease to have the right to appoint a nominee director and the Information Rights.

As on the date of this Draft Red Herring Prospectus, the Investor Selling Shareholder does not have a nominee director on the Board of our Company.

Amendment Agreement dated August 1, 2025

The parties to the SSA have entered into an Amendment Agreement to amend certain provisions of the SSA to drop off certain rights available to the Investor Selling Shareholder under the SSA from the date of filing of this Draft Red Herring Prospectus. These rights of the Investor Selling Shareholder are in relation to (i) nominate a director on the Board (including the right to nominate the director on the committees constituted by the Board) and (ii) the Information Rights. The Parties have agreed that the Amendment Agreement shall become effective and binding on the Parties on and from the date of filing of this Draft Red Herring Prospectus.

The Amendment Agreement shall stand automatically terminated and the amendments to SSA, shall be automatically rescinded and revoked (and shall have no force and effect) without any further action or deed required on the part of any Party, (i) upon Investor Selling Shareholder ceasing to hold Shares in the Company; or (ii) from the Drop-dead Date (*defined below*).

The Drop-dead Date means the date which is the earlier of (i) 12 months from the date of receipt of final SEBI observations on the Draft Red Herring Prospectus; (ii) the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges pursuant to the Offer; (iii) the date of termination of the engagement letter or the Underwriting Agreement, if executed, in relation to the Offer, pursuant to their respective terms; or (iv) the date on which the Board of Directors of the Company decide to not undertake the Offer.

Undertaking by Company to Avenue India Resurgence Pte. Ltd. and State Bank of India dated July 1, 2025 (the "Undertaking")

As per Article 129(b) of Part (B) of Articles of Association (i) Avenue India Resurgence Pte. Ltd., as the Holding Company and one of our Sponsors, has the right to appoint two nominee directors to the Board; and (ii) State Bank of India, as the Sponsor has the right to appoint one nominee director to our Board.

Pursuant to the Undertaking, our Company has undertaken to Avenue India Resurgence Pte. Ltd. and State Bank of India that, as soon as practicable after the date of receipt of final listing and trading approval and commencement of trading of Equity Shares on the Stock Exchanges pursuant to the Offer and subject to applicable law, the Company shall take all necessary steps under applicable law, including the Companies Act, 2013, to convene a general meeting which will include in the agenda a proposal for shareholders to approve, by special resolution, to provide: (i) any Sponsor with the right to nominate one nominee director on our Board and (ii) any shareholder holding not less than 20% of our Company's post-Offer Equity share capital on a fully diluted basis with the right to nominate two nominee directors on our Board. This Undertaking shall become effective on from the date of the execution of this Undertaking.

Further, upon the expiry of the approval of the shareholders of the Company for such nomination as obtained in the first general meeting after the listing of Equity Shares on the Stock Exchanges, our Company shall take all necessary steps under applicable law to ensure that the above nomination rights available to the Sponsors are placed before the shareholders of the Company for their approval (by way of a special resolution or as may be required under applicable law) at such intervals as may be necessary.

Further, the Undertaking shall automatically terminate and cease to have any force and effect in the event the Offer is not completed on or prior to the Long Stop Date. In this context, "Long Stop Date" shall mean earlier of; (a) 12 months from the date of the final observations received from the SEBI in relation to the Offer or such other extended date as mutually agreed to amongst the Company, Avenue India Resurgence Pte. Ltd. and State Bank of India in writing; and (b) withdrawal of the Offer for any reason. In the event the Offer is not completed on or prior to the Long Stop Date, the rights to appoint nominee directors to our Board to Avenue India Resurgence Pte. Ltd., as set out in Part B of the Articles of Association shall prevail without any further corporate action by our Company or by the Shareholders.

Additionally, as per our Articles of Associations, all provisions of Part B containing the special rights available to the Shareholders of our Company under the Articles of Association shall automatically terminate and cease to have any force and effect from the date of commencement of trading of Equity Shares of our Company.

Agreements with Key Managerial Personnel, Senior Management, Directors, Promoters, or any other employee

There are no agreements entered into by our Promoters, Key Managerial Personnel, Senior Management or Directors or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Except as disclosed in the section titled "- *Shareholders' agreements and other agreements*" on page 209, we confirm there are no other inter-se agreements, arrangements and clauses or covenants which our Company is a party to, in relation to securities of our Company, which are material, adverse or pre-judicial to the interest of the minority/ public shareholders or which may have a bearing on the investment decision.

Other agreements

Except as in *"- Shareholders' agreements and other agreements"* on page 209, our Company has not entered into any other subsisting material agreements including with strategic partners, joint venture partners or financial partners, which is not in the ordinary course of business carried on by our Company, or which needs to be disclosed or non-disclosure of which may have bearing on any investment decision in the Offer.

Except as in *"- Shareholders' agreements and other agreements"* on page 209, we confirm that there are no other inter-se agreements between our Company, Shareholders, Promoters, shareholders' agreements or other agreements of a like nature, in relation to the securities of our Company, comprising material clauses / covenants that are required to be disclosed in this Draft Red Herring Prospectus or containing clauses / covenants that are adverse / prejudicial to the interest of public shareholders.

Other than as disclosed in "*Capital Structure – Details of build-up, Contribution and Lock-in of Promoters' Shareholding and Lock-in of other Equity Shares – Build-up of Promoters' equity shareholding in our Company*" on page 96 and "*Capital Structure – Details of Build-up of the Shareholding of the Investor Selling Shareholder, Other Selling Shareholder and Promoter Group*" on page 99, we have not entered into any agreements in relation to the primary or secondary transactions of securities.

Except as disclosed in *"- Shareholders' agreements and other agreements"* on page 209, there are no agreements entered into by the Shareholders, Promoters, Promoter Group entities, related parties (as defined under Section 2(76) of the Companies Act), Directors, Key Managerial Personnel, employees of our Company, among themselves or with our Company or with a third party, solely or jointly, which, either directly, indirectly, potentially or whose purpose and effect is to, impact the management or control of our Company or impose any restriction or create any liability upon our Company, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not our Company is a party to such agreement:

Guarantees given to third parties by the Promoters participating in the Offer for Sale

As on the date of this Draft Red Herring Prospectus, no guarantee has been issued by the Promoter Selling Shareholders to any third parties.

OUR MANAGEMENT

Board of Directors

In accordance with the Companies Act and our Articles of Association, our Company is required to not more than 15 Directors, or such higher number as determined by our Company after passing a special resolution in its general meeting.

As of the date of this Draft Red Herring Prospectus, our Board comprises of nine Directors, of whom one is an Executive Director, three are Non-Executive Directors and five are Non-Executive Independent Directors (including one woman Non-Executive Independent Director).

The following table sets out details regarding our Board as of the date of this Draft Red Herring Prospectus:

Name, DIN, designation, date of birth, address, occupation, term and period of directorship of our Directors	Age (years)	Other directorships
Narayanan Subramaniam ***DIN***: 00166621 ***Designation***: Chairman and Non-Executive Independent Director ***Date of birth***: August 2, 1961 ***Address:*** 1309 - A, Beverly Park - 2, M.G. Road, Near M.G. Road Metro Station, DLF Phase -2, Chakarpur (74), Gurgaon - 122 002, Haryana, India ***Occupation***: Independent Professional Practice ***Current term***: For three years up to May 26, 2027 ***Period of directorship***: Since May 27, 2021	63	***Indian Companies:*** 1. Ganesha Ecosphere Limited 2. NCS Soft Solutions Private Limited 3. Jyothy Labs Limited 4. Expleo Solutions Limited 5. Milky Mist Dairy Food Limited ***Foreign Companies:*** Nil
Pallav Mohapatra ***DIN***: 02300885 ***Designation***: Chief Executive Officer and Managing Director ***Date of birth***: February 25, 1961 ***Address:*** Flat No. T6/204, 2nd Floor, Crescent Bay, Jerbai Wadia Road, Nr Mahatama Phule Education Society, Parel, Dadar, Mumbai - 400 012, Maharashtra, India ***Occupation***: Service ***Current term***: For a period of three years up to March 7, 2026 ***Period of directorship***: Since March 8, 2021*	64	***Indian Companies:*** Nil ***Foreign Companies:*** Nil
Sudarshan Sen(1) ***DIN***: 03570051 ***Designation***: Non-Executive Director ***Date of birth***: January 21, 1959 ***Address:*** 18th Floor, 1802, Godrej Platinum, Tower B4, Opposite Godrej Memorial Hospital, Pirojsha Nagar, Vikhroli (East), Mumbai - 400 079, Maharashtra, India ***Occupation***: Independent Consultant ***Current term***: With effect from November 13, 2023 and liable to retire by rotation**	66	***Indian Companies:*** 1. The Federal Bank Limited 2. Cashpor Micro Credit 3. PNB Housing Finance Limited ***Foreign Companies:*** Nil

Name, DIN, designation, date of birth, address, occupation, term and period of directorship of our Directors	Age (years)	Other directorships
Period of directorship: Since November 13, 2023		
Ashish Shukla(2) ***DIN***: 09145210 ***Designation***: Non-Executive Director ***Date of birth***: July 6, 1967 ***Address:*** 329 River Valley Road, Apt 05-03 Singapore, 238 361 ***Occupation***: Finance/Investment Management ***Current term***: With effect from September 19, 2024 liable to retire by rotation ***Period of directorship***: Since September 6, 2022	58	***Indian Companies:*** Nil ***Foreign Companies:*** 1. Meraprime Investments Limited 2. Northoak Investments Limited 3. Ecoville Investments Limited 4. Rainflower Investments Limited 5. Twinview Investments Limited 6. Havelock Investments Limited 7. Coastline Investments Limited 8. Land Registration Systems, Inc 9. Coastline Co-investments Limited 10. Avenue India Resurgence Pte. Ltd.
Ashok Kumar Sharma(3) ***DIN***: 09832521 ***Designation***: Non-Executive Director ***Date of birth***: July 21, 1966 ***Address:*** Flat No. 16C, Madhuban, Gen. J. Bhosale Marg, Opp. Y.B. Chavan Auditorium, Nariman Point, Mumbai – 400 021, Maharashtra, India ***Occupation***: Banking Professional ***Current term***: With effect from December 26, 2024 liable to retire by rotation ***Period of directorship***: Since December 26, 2024	59	***Indian Companies:*** 1. National E-Governance Services Limited 2. NESL Asset Data Limited ***Foreign Companies:*** Nil
Pavan Pal Kaushal ***DIN***: 07117387 ***Designation***: Non-Executive Independent Director ***Date of birth***: February 24, 1962 ***Address:*** E-2 1402 World Crest World Towers Lodha Place, Senapati Bapat Marg, Lower Parel, Delisle Road, Mumbai, Maharashtra – 400 013 ***Occupation***: Professional ***Current term***: For a period of three years up to August 26, 2025 ***Period of directorship***: Since August 27, 2019	63	***Indian Companies:*** 1. PNB Housing Finance Limited 2. Lendingkart Finance Limited 3. Lendingkart Technologies Private Limited 4. Innoven Capital India Private Limited ***Foreign Companies:*** Nil

Name, DIN, designation, date of birth, address, occupation, term and period of directorship of our Directors	Age (years)	Other directorships
Balachander Rajaraman ***DIN***: 08012912 ***Designation***: Non-Executive Independent Director ***Date of birth***: November 20, 1957 ***Address:*** D-97 Anand Niketan, South West Delhi, Delhi - 110021 India ***Occupation***: Chartered Accountant ***Current term***: For a period of three years up to October 31, 2026 ***Period of directorship***: Since November 1, 2023	67	***Indian Companies:*** SMFG India Credit Company Limited (formerly Fullerton India Credit Co. Ltd.) ***Foreign Companies:*** Nil
Raksha Shashikant Kothari ***DIN***: 02184815 ***Designation***: Non-Executive Independent Director ***Date of birth***: September 20, 1963 ***Address:*** 2/6, Pashmina Apartment, G. Deshmukh Marg, Pedder Road, Cumbulla Hill, Mumbai - 400 026, Maharashtra, India ***Occupation***: Advocate ***Current term***: For a period of three years up to April 15, 2027 ***Period of directorship***: Since April 16, 2024	61	***Indian Companies:*** Kalpataru Projects International Limited ***Foreign Companies:*** Nil
Prasad Parameswaranpillai Naga ***DIN:*** 07430506 ***Designation:*** Additional Non-Executive Independent Director ***Date of birth:*** May 30, 1960 ***Address***: Villa No. 39, AJL Serenewoods, PVIP Canal Road, Near Assisi Junction, Ashokapuram, Aluva, Ernakulam, 683 101, Kerala, India ***Occupation***: Retired Banking Executive, Board Director ***Current term***: For a period of three years from July 15, 2025 ***Period of directorship***: Since July 15, 2025	65	***Indian Companies:*** 1. Insolvency Professional Agency of Institute of Cost Accountants Limited 2. National E-Governance Services Limited 3. Axis Bank Limited 4. Styrenix Performance Materials Limited 5. Jyoti CNC Automation Limited ***Foreign Companies:*** Nil

(1) Nominee of Avenue India Resurgence Pte. Ltd.
(2) Nominee of Avenue India Resurgence Pte. Ltd.
(3) Nominee of State Bank of India.
** Pallav Mohapatra was also associated with our Company as a nominee director of State Bank of India with effect from November 23, 2016 to September 21, 2018.*
*** RBI, in its letter dated July 25, 2025 to our Company, has approved the re-appointment of Sudarshan Sen for a period not exceeding five years. The re-appointment of Sudarshan Sen is pending approval from the Shareholders.*

Brief Profiles of our Directors

Narayanan Subramaniam is the Chairman and Non-Executive Independent Director of our Company. He holds a bachelor's degree of science from University of Madras and a post graduate diploma in management from Indian Institute of Management Ahmedabad. He also is a qualified member of the Institute of Chartered Accountants of India, Institute of Company Secretaries of India and the Institute of Cost and Works Accountants of India. He was previously associated with City Union Bank as a board member and First India Mutual Fund as the chief executive Officer. His areas of experience include in risk management, system implementation, corporate governance, MIS, human resource management, strategy, tax and compliance. He has three decades of experience in private equity, investment management, banking, accounting and finance.

Pallav Mohapatra is the Chief Executive Officer and Managing Director of our Company. He holds a bachelor's degree in arts from Lucknow University and a diploma in master's of arts in statistics from Utkal University. He has also passed the certified associate of Indian Institute of Bankers (CAIIB) examination conducted by Indian Institute of Banking and Finance. He has previously been associated with Central Bank of India as the managing director and chief executive officer and State Bank of India as the deputy managing director. Further, he has been associated with State Bank of India, Cal Artesia as the vice president (credit risk and forex). He also served as the managing director of SBI Custodial Services Private Limited Mumbai, chief executive officer of SBI Cards and Payment Services Limited and chief financial officer of SBI Cards and Payment Services Limited. In State Bank of India, he has also held the positions of deputy managing director (Stressed Assets Resolution Group), chief general manager and deputy general manager at various locations in India. He has over four decades of experience in diverse roles in the banking field. In our Company, he is responsible for overseeing the acquisition, resolution of stressed assets, driving growth initiatives and implementing robust risk management practices.

Sudarshan Sen is a Non-Executive Director of our Company. He holds a master's degree in science from University of Delhi and a master's degree in business administration in international banking and finance from University of Birmingham, United Kingdom. He was previously associated with the Reserve Bank of India (RBI) as an executive director overseeing the departments of banking regulation, co-operative banking regulation and non-banking regulation. In his career in the RBI, he worked in several areas including banking regulation, bank supervision and fintech regulation, He has been a member of various international committees including serving as the RBI's representative on the Supervision and Implementation Group, the Macroprudential Supervision Group and the Policy Development Group of the Basel Committee on Banking Supervision. Further, he has been a member of several national committees, including the Insolvency Law Committee' and the 'Bankruptcy Law Reforms Committee'. He has also chaired various committees formed by RBI including the 'Committee on functioning of Asset Reconstruction Companies and review of regulatory guidelines applicable to them', the 'Inter-Regulatory Working Group on Fintech and Digital Banking in India' and the 'Working Group on Implementation of Ind AS by Banks in India'.

Ashish Shukla is the Non-Executive Director of our Company. He holds a master's degree in business administration from the A.B. Freeman School of Business, Tulane University, New Orleans, Louisiana. He was previously associated with Westover Advisors in Singapore as a senior strategic and restructuring advisor and advised companies in South East Asia and South Asia on restructuring, value creation and turnaround. He has also been associated with Income Partners Asset Management (HK) Limited as an executive director and senior portfolio manager (special situations). He has been associated with Clearwater Capital Partners Singapore Limited as the vice president where he managed the asset management, restructuring and company turnaround initiatives throughout its portfolios and with Concordia Advisors (Singapore) Pte. Limited where, as a distressed debt analyst, Ashish was responsible for investing, restructuring and asset management for portfolio companies. He has experience in structured credit, acquisition/project finance and special-situation private investing. He is presently associated with Avenue India Resurgence Pte. Ltd. in the capacity of a director and is responsible for asset management and investment advice for Asia strategy.

Ashok Kumar Sharma is the Non-Executive Director of our Company. He has passed a master's degree in science in physics from Bhopal University. He is a director on the Board of National E-Governance Services Limited and NeSL Asset Data Limited as a nominee of State Bank of India. He has been associated with State Bank of India as chief general manager (project finance and leasing corporate centre), deputy general manager (commercial and overseas branch) at various locations in India and vice president (credit) in Singapore. He is also a member of Indian Institute of Bankers. He is currently serving as a deputy managing director, chief credit officer and chief sustainability officer at State Bank of India. He has more than 33 years of banking experience.

Pavan Pal Kaushal is the Non-Executive Independent Director of our Company. He holds a master's degree in financial management from University of Bombay, Maharashtra and is also a Chartered Accountant. He has been associated with IDFC Bank as the group executive president (risk department), with Ernst and Young as a partner, with Grindlays Bank (Member of ANZ Group) and Fullerton India. He has also held various positions at Citibank across India, United Kingdom, Poland and Russia. He has over three decades of experience in the financial services sector.

Balachander Rajaraman is the Non-Executive Independent Director of our Company. He holds a bachelor's degree in commerce from University of Delhi, and is also a Chartered Accountant. He was previously associated with Ernst and Young as a partner and Thakur Vaidyanath Aiyar & Co as a partner. He has more than 29 years of working experience. His areas of expertise include accounting and audit, taxation, and restructuring/insolvency proceedings. He is currently a member of the Indian Institute of Insolvency Professionals, ICAI. Further, he had been associated with PHD Chamber of Commerce and Industry.

Raksha Shashikant Kothari is the Non-Executive Independent Director of our Company. She holds a bachelor's degree in commerce from Sydenham College of Commerce and Economics, University of Bombay and bachelor's degree in law from Government Law College, University of Bombay She was previously associated with DSK Legal Advocates & Solicitors as a partner. She is a corporate and mergers and acquisitions lawyer with more than 35 years of experience. She has experience in leading and managing several assignments, for both Indian and international clients, in the fields of mergers and acquisitions, private equity, debt, real estate, litigation, cross border acquisitions, insolvency and restructuring and transaction support. She has also advised various Indian companies in raising of capital through capital market offerings. She also has experience in handling both civil and corporate, domestic and international litigation and domestic and foreign arbitration. She is a member of the Bar Council of Maharashtra and Goa. Currently she is an independent practitioner and an of counsel with Dhruve Liladhar & Co. Advocates, Solicitors & Notary.

Prasad Parameswaranpillai Naga is the Additional Non-Executive Independent Director of our Company. He holds a bachelor's degree in science from Faculty of Science, University of Kerala and master's degree in science from Agra University. He is also a certified associate of the Indian Institute of Bankers. He was previously associated with Bank of India as a director. Further, at Bank of India, he was a member of the management committee, committee for monitoring of large value frauds, disciplinary proceedings committee, group governance unit committee, committee for declaration of non-cooperative borrowers, share transfer committee and review committee for identification of wilful defaulters. He was also associated with State Bank of India in the positions of deputy managing director (commercial clients group), chief general manager (mid-corporate group) and general manager and regional head (mid-corporate group). His areas of expertise include corporate banking, stressed asset resolution, risk management. He has over 40 years of experience in the banking sector.

Confirmations

None of our Directors is or has been a director on the board of any listed company whose shares have been/were suspended from being traded on any of the stock exchanges, during his/her tenure, in the five years preceding the date of this Draft Red Herring Prospectus.

None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

None of our Directors are related to each other, or any Key Managerial Personnel and Senior Management of our Company.

No consideration, either in cash or shares or in any other form has been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Further, none of our Directors have been identified as Wilful Defaulters, Fugitive Economic Offenders or Fraudulent Borrowers as defined under the SEBI ICDR Regulations.

In the ordinary course of business of our Company, there are no conflict of interests between any lessor of any immovable properties (which are crucial for operations of our Company) and our Directors or Key Managerial Personnel.

Arrangement or understanding with major shareholders, customers, suppliers or others

Other than Sudarshan Sen and Ashish Shukla who are nominated by Avenue India Resurgence Pte. Ltd. and Ashok Kumar Sharma who is nominated by the State Bank of India, none of our Directors were appointed as Directors of our Company pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Service contracts with Directors

None of our Directors have entered into service contracts with our Company which provide benefits upon termination of employment.

Borrowing Powers of our Board

In accordance with the Articles of Association of our Company, Section 179, Section 180(1)(a) and other applicable provisions of the Companies Act, our Shareholders have pursuant to a special resolution passed at their meeting dated September 27, 2018, authorised the creation by the Board of Directors on behalf of our Company of such mortgages, charges, hypothecations and floating charges in such form and such manner as may be agreed to between the Board of Directors and our Company's lenders on all or any of the movable and immovable properties of our Company both present and future of every nature and kind whatsoever and the undertaking of our Company in certain events, to secure term loans/ working capital facilities/ external commercial borrowing/ debentures/ any other form of finance, etc. not exceeding ₹ 20,000 million at any one point of time from the financial institutions/ banks and other agencies/ parties/ person with interest thereon, commitment charges, liquidated damages, charges, expenses and other monies, such mortgages and/ or charges already created or to be created in future by our Company in such manner as may be though expedient by the Board of Directors.

Terms of Appointment of the Executive Director

Pallav Mohapatra

Chief Executive Officer and Managing Director

Pallav Mohapatra is the Chief Executive Officer and Managing Director of our Company and has been associated with our Company since March 8, 2021. He was appointed as the Chief Executive Officer and Managing Director of our Company pursuant to the resolution passed by our Board at its meeting dated November 28, 2020 and the special resolution passed by our Shareholders' on September 29, 2021 for a period of two years with effect from March 8, 2021.

He was re-appointed as Chief Executive Officer and Managing Director of our Company pursuant to resolution passed by our Board at its meeting dated May 11, 2022 and the special resolution passed by our Shareholders' on September 28, 2022 for a period of three years with effect from March 8, 2023 up till March 7, 2026.

Further, pursuant to the resolution passed by the Board on July 30, 2025 he is entitled the following remuneration for fiscal 2026 :

Sr. No.	Category	Remuneration per month
1.	Basic salary	₹ 0.66 million per month
2.	House rent allowance	₹ 0.26 million per month
3.	Car reimbursement	₹ 0.01 million per month
4.	Driver's salary	₹ 0.02 million per month
5.	Leave travel allowance	₹ 0.13 million per month
6.	Supplementary allowance	₹ 0.47 million per month
7.	Others	Other benefits as per aforesaid resolution passed by the Board Company

Our Company has paid the following remuneration to our Executive Director in Fiscal 2025:

(in ₹ million)

S. No.	Name of Director	Sitting Fees$	Commission	Remuneration	Total remuneration
1.	Pallav Mohapatra	Nil	Nil	30.68	30.68

$ *The fee is net of GST*

Terms of appointment of our Non-Executive Directors

Pursuant to a Board resolution dated November 29, 2018, our Non-Executive Directors are entitled to receive sitting fees of ₹0.06 million for attending each meeting of the Board and Audit Committee. Further, they are entitled to ₹0.05 million for attending each meeting of the Committees of our Board excluding Audit Committee.

Our Non-Executive Directors were paid the following remuneration for Fiscal 2025:

(in ₹ million)

S. No.	Name of Director	Sitting Fees$	Commission	Remuneration	Total remuneration (in ₹ million)
1.	Ashish Shukla	Nil	Nil	Nil	Nil
2.	Ashok Kumar Sharma*	0.32	Nil	Nil	0.32
3.	Sudarshan Sen	Nil	Nil	Nil	Nil

$ *The fee is net of GST*

* *The remuneration is directly paid to the State Bank of India, and not to the Non-Executive Director, in his individual capacity.*

Our Non-Executive Independent Directors were paid the following remuneration for Fiscal 2025:

(in ₹ million)

S. No.	Name of Director	Sitting Fees$	Commission	Remuneration	Total remuneration (in ₹ million)
1.	Narayanan Subramaniam	3.13	Nil	Nil	3.13
2.	Pavan Pal Kaushal	1.98	Nil	Nil	1.98
3.	Raksha Shashikant Kothari	2.30	Nil	Nil	2.30
4.	Balachander Rajaraman	1.80	Nil	Nil	1.80

$ *The fee is net of GST*

Remuneration paid or payable to our Directors by our Subsidiary and/or Associates

None of our directors have received or were entitled to receive any remuneration, sitting fees or commission from our Subsidiary or Associates for the Fiscal 2025.

Contingent or Deferred Compensation to our Directors

Except as disclosed in "– *Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management"* there is no contingent or deferred compensation payable to our Directors which does not form part of their remuneration.

Shareholding of Directors in our Company

As per our Articles of Association, our Directors are not required to hold any qualification shares.

Except as disclosed in the section titled "*Capital Structure - Details of the Shareholding of our Promoters, Directors, our Key Managerial Personnel, our Senior Management, directors of our Promoters and members of our Promoter Group*" on page 101, as on date of this Draft Red Herring Prospectus, none of our Directors hold any Equity Shares in our Company.

Bonus or profit-sharing plan of our Directors

None of our directors are party to any bonus or profit-sharing plan of our Company.

Interests of our Directors

All our Non-Executive Non-Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and/or committees, the reimbursement of expenses payable to them as approved by our Board from time to time.

All Directors may be deemed to be interested to the extent of reimbursement of expenses payable to them, if any and the remuneration payable to such Directors as decided by the Board from time to time. Our Executive Directors are interested to the extent of remuneration, payable to them for services rendered as an officer or employee of our Company Our Independent Directors are interested to the extent of the sitting fees payable to them in accordance with applicable law.

Neither our Directors hold Equity Shares in our Company or any employee stock options, nor any of their relatives or the entities in which they are associated as promoter, director, partner, proprietor or trustee, hold any Equity Shares or employee stock options, in our Company as of the date of this Draft Red Herring Prospectus except as disclosed below:

Our Director, Sudarshan Sen is a director on the board of The Federal Bank Limited and Ashish Shukla is a director on the board of Avenue India Resurgence Pte. Ltd., respectively. All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners in the ordinary course of business. Further, our Directors may be interested to the extent of any employee stock option schemes that may be formulated by our Company from time to time.

Interest of Directors in the promotion or formation of our Company

Except as disclosed below none of our Directors have any interest in the promotion or formation of our Company as on the date of this Draft Red Herring Prospectus:

Ashok Kumar Sharma is a nominee director of State Bank of India, the Promoter of our Company.

Ashish Shukla and Sudarshan Sen are nominee directors of Avenue India Resurgence Pte. Ltd., the Promoter of our Company.

For more details see, "*Our Promoters and Promoter Group*" on page 231.

Interest in land and property

Our Directors do not have any interest in any property acquired or proposed to be acquired of or by our Company.

Further, our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery during the three years preceding the date of this Draft Red Herring Prospectus.

Business interest

Except in the ordinary course of business and as disclosed in "*Restated Financial Information - Restated Consolidated Financial Information – Note 44 – Related Party Transactions*" at page 338, our Directors do not have any other business interest in our Company.

Loans to Directors

Neither our Director nor any of their relatives are a beneficiary of or interested in any outstanding loan or advance given by our Company to any person or company, nor have they granted any loan or advance to our Company. Our Directors are not interested as a member of a firm or company and no sum has been paid or agreed to be paid to our Director or to any such firm or company in cash or shares or otherwise by any person either to induce them to become, or to qualify them as, a director, or otherwise, for services rendered by such Director or by such firm or company in connection with the promotion or formation of our Company.

Changes to our Board in the last three years

The changes in our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are as set out below:

Name	Date of appointment/ cessation reappointment/ resignation	Designation (at the time of appointment/ cessation/ reappointment/resignation)	Reason
Ashok Kumar Sharma	December 26, 2024	Additional Non-Executive Director(i)	Appointment
Salee Sukumaran Nair	August 21, 2024	Non-Executive Nominee Director(ii)	Cessation due to change in Nominee Director by State Bank of India
Panja Pradeep Kumar	June 22, 2024	Independent Director	Cessation due to completion of term
Narayanan Subramaniam	May 25, 2024	Independent Director	Re-appointment
Raksha Shashikant Kothari	April 16, 2024	Additional Non-Executive Independent Director	Appointment(1)
Naina Krishna Murthy	January 25, 2024	Non-Executive Independent Director	Cessation due to personal reasons and professional commitments
Salee Sukumaran Nair	December 18, 2023	Non-Executive Nominee Director(iii)	Appointment
Sudarshan Sen	November 13, 2023	Additional Non-Executive Director(iv)	Appointment(2)
Anil Kumar Gorthy	November 13, 2023	Director (v)	Cessation due to appointment of Sudarshan Sen, as a Nominee Director from Avenue India Resurgence Pte. Ltd.
Srinivasa Rao Sureddi	October 31, 2023	Nominee Director(vi)	Cessation due to completion of term
Balachander Rajaraman	November 1, 2023	Additional Non- Executive Independent Director	Appointment(3)
Srinivasa Rao Sureddi	August 17, 2023	Nominee Director(vii)	Re-appointment
Naina Krishna Murthy	May 8, 2023	Additional Non-Executive Independent Director	Appointment(4)
Rakesh Grover	March 29, 2023	Nominee Director(viii)	Cessation due to Punjab National Bank ceasing to be a Sponsor
Pallav Mohapatra	March 8, 2023	Managing Director and Chief Executive Officer	Re-Appointment
Gopika Pant	March 8, 2023	Independent Director	Cessation due to completion of term
Rakesh Grover	October 28, 2022	Non-Executive Nominee Director(ix)	Appointment
Ashish Shukla	September 6, 2022	Additional Non- Executive Director(x)	Appointment(5)
Prasad Parameswaranpillai Naga	July 15, 2025	Additional Non-Executive Independent Director	Appointment

(1) Regularization as a Non-Executive Independent Director by way of a shareholders resolution dated September 27, 2024.
(2) Regularization as a Non-Executive Director by way of a shareholders resolution dated September 27, 2024.
(3) Regularization as a Non-Executive Independent Director by way of a shareholders resolution dated September 27, 2024.
(4) Regularization as a Non-Executive Independent Director by way of a shareholder resolution dated June 27, 2023
(5) Regularization as a Non-Executive Director by way of a shareholders resolution dated September 28, 2022.
(i) Nominee director of State Bank of India.
(ii) Nominee director of State Bank of India.
(iii) Nominee director of State Bank of India.
(iv) Nominee director of Avenue India Resurgence Pte. Ltd.
(v) Nominee director of Avenue India Resurgence Pte Ltd.
(vi) Nominee director of State Bank of India.
(vii) Nominee director of State Bank of India.
(viii) Nominee director of Punjab National Bank.
(ix) Nominee director of Punjab National Bank.
(x) Nominee director of Avenue India Resurgence Pte. Ltd.
Note: The table above does not include details of changes in designation of our Directors.

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance in accordance with the SEBI Listing Regulations and the Companies Act, 2013, pertaining to the constitution of the Board and committees thereof and formulation and adoption of policies. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of SEBI Listing Regulations and the Companies Act, 2013.

As of the date of this Draft Red Herring Prospectus, our Board comprises of nine Directors, of whom one is a Executive Director, three are Non-Executive Directors and five are Non-Executive Independent Directors (including one-woman Non-Executive Independent Director).

In terms of the ARC Master Directions, our Company is required to obtain prior approval from the RBI for every director proposed to be appointed / re-appointed on our Board.

Committees of our Board

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

(a) Audit Committee;

(b) Nomination and Remuneration Committee;

(c) Stakeholders' Relationship Committee;

(d) Corporate Social Responsibility Committee and Environmental, Social and Governance Committee; and

(e) Risk Management Committee.

Audit Committee

The Audit Committee was constituted by our Board pursuant to a resolution passed by our Board at its meeting held on January 20, 2003, and re-constituted by our Board pursuant to a resolution passed by our Board on May 7, 2025. The terms of reference of the Audit Committee was approved on June 14, 2025. The Audit Committee is in compliance with Section 177 of the Companies Act, Regulation 18 of the SEBI Listing Regulations and ARC Master Directions.

The members of the Audit Committee are:

Name of the Director	Position in the Committee	Designation
Balachander Rajaraman	Chairman	Non-Executive Independent Director
Sudarshan Sen	Member	Non-Executive Director
Raksha Shashikant Kothari	Member	Non-Executive Independent Director

The terms of reference of the Audit Committee are as follows:

1. Oversight of our Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

2. recommendation for appointment / removal, remuneration and terms of appointment of auditor(s) of the Company;

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

4. Call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors.

5. Periodically review and assess the effectiveness of internal control systems, especially with respect to the asset acquisition procedures and asset reconstruction measures followed by the company and matters related thereto.

6. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

    - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

- Any changes in accounting policies and practices and reasons for the same;
- Compliance with accounting standards and regulatory guidelines;
- major accounting entries involving estimates based on the exercise of judgment by management;
- modified opinion(s) in draft audit report;
- Significant adjustments made in the financial statements arising out of audit findings;
- The going concern assumption
- Compliance with listing and other legal requirements relating to financial statements;
- Examine the financial statements and auditor's report
- disclosure of any related party transactions;

7. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
8. To ensure that accounting of management fee/ incentives/ expenses is in compliance with the applicable regulations.
9. To review the extent of unrealized management fee and satisfy itself on the recoverability of the same while finalizing the financial statements
10. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
11. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
12. Discuss the related party transactions with the statutory auditors and the management of the Company. Approve or allow any subsequent modification of related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.
13. Scrutiny of inter-corporate loans and investments;
14. Valuation of undertakings or assets of the Company, wherever it is necessary;
15. Evaluation of internal financial controls and risk management systems;
16. Monitoring the end use and reviewing deviations of funds raised through public offers and related matters, if any.
17. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
18. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
19. Discussion with internal auditors of any significant findings and follow up thereon;
20. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to our Board.
21. Discussion with statutory auditors, before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
22. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

23. To investigate into any matter in relation to the items specified herein or referred to it by our Board. To obtain professional advice from external sources and have full access to information contained in the records of the Company.

24. To review the functioning of the whistle blower mechanism;

25. Recommend to the Board for approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

26. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

27. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

28. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

29. Reviewing and recommending to our Board for approval of the financial statements of trusts.

30. Recommending to our Board for approval of appointment of Trust Statutory Auditors and Tax Auditors.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted by our Board pursuant to a resolution passed by our Board at its meeting held on January 31, 2004and re-constituted by our Board pursuant to a resolution passed dated May 7, 2025. Pursuant to a resolution passed by the Board dated May 25, 2025, the terms of reference of the Nomination and Remuneration Committee were approved. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act, Regulation 19 of the SEBI Listing Regulations and ARC Master Directions.

The members of the Nomination and Remuneration Committee are:

Name of the Director	Position in the Committee	Designation
Raksha Shashikant Kothari	Chairperson	Non-Executive Independent Director
Ashish Shukla	Member	Non-Executive Director
Ashok Kumar Sharma	Member	Non-Executive Director
Narayanan Subramaniam	Member	Non-Executive Independent Director

The terms of reference of the Nomination and Remuneration Committee are as follows:

1. Identifying eminent persons who are qualified for appointment as directors, key managerial personnel, and senior management personnel of the company based on the approved criteria: For independent directors, for the purpose of identifying suitable candidates, the committee may use the services of external agencies, consider candidates from a wide range, and consider the time commitments of the candidates.

2. Assess the suitability of the identified persons vis-à-vis the approved criteria and submit recommendations to the Board after ascertaining their consent for such appointment.

3. To submit recommendations to the Board with regard to appointment/re-appointment/removal and remuneration of directors, key managerial personnel, and senior management personnel, in terms of the provisions of the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, other applicable statutes and requirements stipulated by the Reserve Bank of India from time to time.

4. To recommend a policy relating to the remuneration for the directors, key managerial personnel, senior management personnel, and other employees.

5. To determine and recommend to the Board from time to time: a) the amount of sitting fees/commission/share of profit/remuneration payable to the non-executive directors in terms of the applicable provisions of the Companies Act, 2013, and the rules made thereunder. b) the amount of remuneration, including performance/deferred bonus and perquisites payable to the whole-time director(s).

6. To frame a policy for evaluation of performance of the Board, its Committees, and individual Directors, on the basis of the report of performance evaluation of independent directors, to determine whether to extend or continue the term of appointment or re-appointment of the independent directors.

7. To frame a Code of Conduct for independent directors.

8. To examine the Fit and Proper status of the Sponsors and Directors.

9. To approve/recommend to the Board, the employee benefit programs and schemes.

10. To review and recommend to the Board changes in organizational structure.

11. To review and recommend to the Board, devising a policy on diversity of board of directors, performance bonus policy, promotion policy, increment policy, as applicable, HR policy Manual, and such other HR-related policies.

12. To review & assess all information on ratings, KPIs, performance bonus and increment for the KMP, Senior Management Personnel, all employees directly reporting to CEO/MD, and top ten personnel other than the KMP.

The authority to formulate, adopt, administer, enforce, and modify the employee stock option schemes of the Company, including the grant of options to eligible employees under the employee stock option schemes of the Company, in accordance with the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014, and other applicable laws.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by our Board pursuant to a resolution passed by our Board at its meeting held on June 14, 2025. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The members of the Stakeholders' Relationship Committee are:

Name of the Director	Position in the Committee	Designation
Raksha Shashikant Kothari	Chairperson	Non-Executive Independent Director
Balachander Rajaraman	Member	Non-Executive Independent Director
Ashish Shukla	Member	Non-Executive Director
Ashok Kumar Sharma	Member	Non-Executive Director

The terms of reference of the Stakeholders' Relationship Committee are as follows:

1. Consider and resolve the grievances of security holders including complaints related to:
   - Transfer and transmission of shares,
   - Non-receipt of annual reports,
   - Non-receipt of declared dividends,
   - Issue of new/duplicate certificates,
   - Issues relating to dematerialisation/rematerialisation of shares,
   - General meetings
   - Any other grievances raised by security holders.

2. Review measures taken for effective exercise of voting rights by shareholders.

3. Review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar / Share Transfer Agent.

4. Review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend/ dividend warrants/annual reports/statutory notices by the shareholders of the company.

5. Resolving grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants.

6. Ensure compliance with the investor-related obligations under SEBI regulations, the Companies Act, 2013, and other applicable laws.

7. Carry out any other function as may be assigned by the Board of Directors from time to time or as prescribed by applicable law.

Corporate Social Responsibility and Environmental, Social and Governance Committee

Our Corporate Social Responsibility Committee was constituted by our Board pursuant to a resolution passed by our Board at its meeting held on July 7, 2014 and re-constituted by our Board pursuant to a resolution passed by our Board on May 7, 2025. The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act. Pursuant a resolution passed by the Board at its meeting held on May 25, 2025 the Corporate Social Responsibility Committee was renamed as Corporate Social Responsibility and Environmental, Social and Governance Committee and the terms of reference were set forth.

The members of the Corporate Social Responsibility and Environmental, Social and Governance Committee are:

Name of the Director	Position in the Committee	Designation
Narayanan Subramaniam	Chairman	Non-Executive Independent Director
Pavan Pal Kaushal	Member	Non-Executive Independent Director
Ashok Kumar Sharma	Member	Non-Executive Director
Pallav Mohapatra	Member	Chief Executive Officer and Managing Director

The terms of reference of Corporate Social Responsibility and Environmental, Social and Governance Committee include:

Corporate Social Responsibility:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013;

2. To recommend the amount of expenditure to be incurred on the activities referred to in clause (1); and

3. To monitor the Corporate Social Responsibility policy of the Company from time to time.

4. Any other matters relating to or incidental to the implementation of CSR activities as per the provisions of Section 135 of the Companies Act,2013 and rules made there under, as amended from time to time.

Environmental, Social and Governance:

1. Approve the Company's ESG strategy (the ESG Strategy,) including related targets;

2. Provide oversight of the execution of the ESG Strategy and the Company's progress on its ESG commitments and targets

3. Provide an oversight of the key policies and programmes required to implement the ESG strategy.

4. Provide advice and direction to the Company's management on implementation of the Company's ESG Strategy, the opportunities and risks to the Company's operations and reputation and its corporate responsibility

Risk Management Committee

Our Risk Management Committee was constituted by our Board pursuant to a resolution passed by our Board at its meeting held on August 31, 2016 and re-constituted by our Board pursuant to a resolution passed by our Board at its meeting held on December 17, 2024. The terms of reference of the Risk Management Committee was approved on July 23, 2025. The Risk Management Committee is in compliance with Regulation 21 of the SEBI Listing Regulations.

The members of the Risk Management Committee are:

Name of the Director	Position in the Committee	Designation
Ashish Shukla	Chairman	Non-Executive Director
Sudarshan Sen	Member	Non-Executive Director
Ashok Kumar Sharma	Member	Non-Executive Director
Pavan Pal Kaushal	Member	Non-Executive Independent Director
Pallav Mohapatra	Member	Chief Executive Officer and Managing Director

The terms of reference of the Risk Management Committee include the following:

1. Oversee the identification, measurement, monitoring, reporting and management of the risks arising from or associated with the main activities of the Company, including but not restricted to credit risk, operational risk, liquidity risk and market risk.

2. Recommend to the Board to approve the policies and strategies for implementing a Company-wide integrated risk management system, for addressing the specific material risks faced by the Company.

3. Ensure that key risk areas have an associated policy, process and other measures for its identification, measurement, monitoring, reporting and management, and that these are implemented as intended.

4. Review the 'Risk Appetite' framework and parameters formulated in line with the Company's business strategy and recommend the same to the Board for approval.

5. Oversee the functioning of the management-level risk management framework.

6. Ensure a sufficiently robust data infrastructure, data architecture, information technology infrastructure that is in sync with developments such as balance sheet and revenue growth; increasing complexity of the business, risk configuration or operating structure; geographical expansion, etc.

7. Recommend to the Board risk mitigation parameters and limits in respect of the main risks. Monitor adherence to the risk appetite limits set by the Board.

8. Monitor the adequacy of risk reporting systems to ensure that these are dynamic, comprehensive, accurate and draw on all relevant data, including the external environment, market conditions, trends that may have an impact on the company's current or future risk profile, including results of stress testing and scenario analyses, and identify limitations of the data and risk estimates.

9. Review the underwriting framework and processes for acquisition of risk assets in general and loan assets in particular.

10. Review the fixation of exposure ceilings for various types of exposures, sectors, industries, borrower segments and groups, etc. based on identified criteria.

11. Monitor the management of Business continuity, Reputation risk, Model risk, Strategic risk, Information & Cyber security risk, Outsourcing risk, superannuation obligation risk and other material risks faced by the Company.

12. Monitor, on an ongoing basis, the capital adequacy of the Company under both forward-looking business-as-usual and stress scenarios and initiate remedial action where needed.

13. Ensure the independence of the CRO and the risk management team from the revenue-generating functions, processes and associated incentives.

14. Interact informally with the CRO, without the presence of management, as needed,

15. Seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

16. Establish effective communication/ coordination with the audit committee to facilitate the exchange of information, effective coverage of all risks, including emerging risks, and any needed adjustments to the risk governance framework of the Company.

17. Fraud Risk management as enumerated in the fraud risk management policy.

18. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

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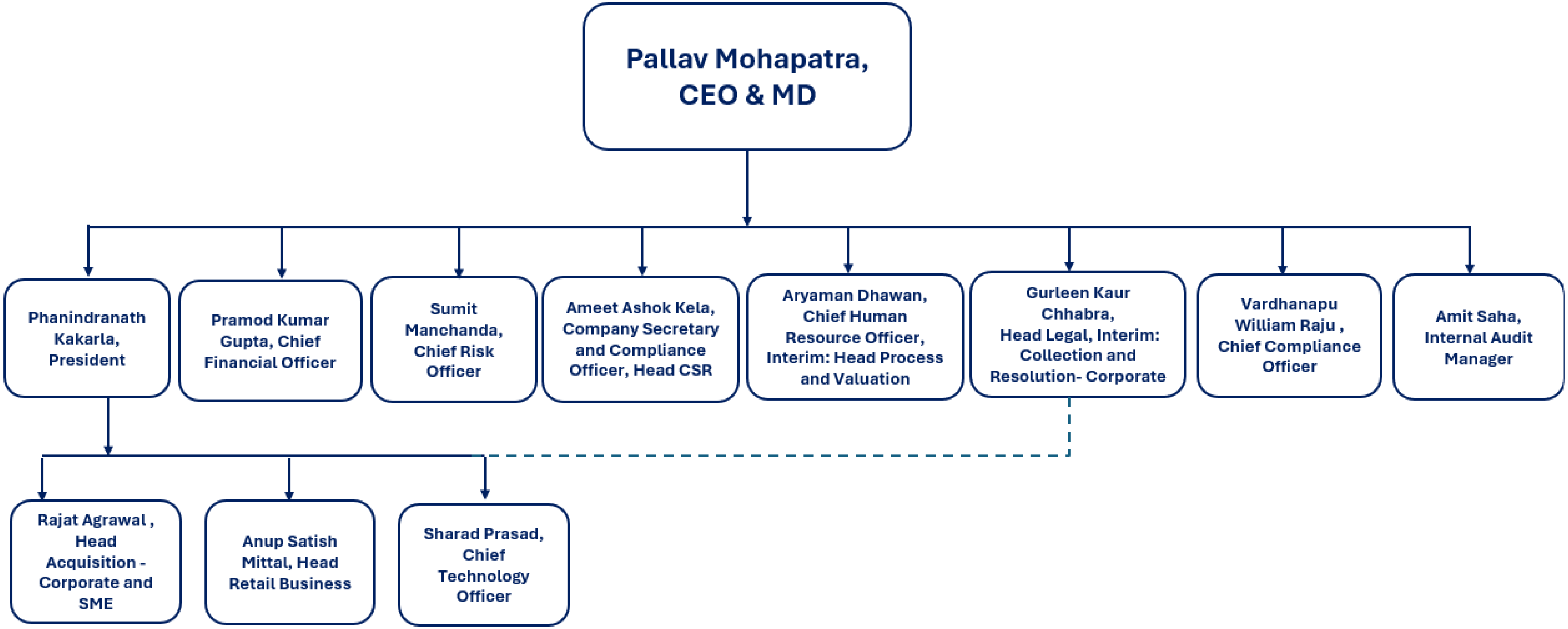
Management organization chart



Key Managerial Personnel and Senior Management

Key Managerial Personnel

In addition to Pallav Mohapatra, our Chief Executive Officer and Managing Director whose details are disclosed under "*Our Management – Brief profiles of our Directors*" on page 214, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as set out below:

Pramod Kumar Gupta is the Chief Financial Officer of our Company. He has passed the examination for bachelor's degree in commerce from University of Rajasthan. He is also a member of the Institute of Company Secretaries of India and a member of the Institute of Chartered Accountants of India. Prior to joining our Company, he was associated with Genus Power Infrastructures Limited as group chief financial officer and Shiv Vani Oil and Gas Exploration Services Limited as Vice President. He has been associated with our Company since August 27, 2012 as a Senior Vice President and became the Chief Financial Officer from April 1, 2014. He is responsible for leading and directing all financial functions of our Company. He is involved in managing relationships with lenders, shareholders and guiding investor relations. For Fiscal 2025, he was paid an aggregate compensation of ₹ 21.38 million.

Ameet Ashok Kela is the Company Secretary and Compliance Officer of our Company. He holds a bachelor's degree in commerce from M.M. College of Arts, N.M. Institute of Science and Haji Rashid Jaffer College of Commerce, University of Mumbai and bachelor's in law degree from University of Mumbai. He is also a qualified member of the Institute of Company Secretaries of India. Prior to joining our Company, he was associated with Edelweiss Finwest Private Limited (*earlier known as Arum Investments Private Limited*) as senior manager and Rathi & Associates Company Secretaries. He has been associated with our Company as Company Secretary since July 9, 2012 and was appointed as the Compliance Officer on July 2, 2025. He serves as a link between our Company and its stakeholders, including our Board, shareholders, government, and regulatory authorities. His role ensures adherence to Board procedures and providing guidance on legal obligations to the Chairman and Directors. For Fiscal 2025, he was paid an aggregate compensation of ₹ 9.39 million.

Senior Management

In addition to and other than Pramod Kumar Gupta, our Chief Financial Officer and Ameet Ashok Kela, Company Secretary and Compliance Officer, whose details are mentioned above, the details of our other members of the Senior Management as on the date of this Draft Red Herring Prospectus are as set out below:

Anup Satish Mittal is the Head – Retail Business of our Company. He has a bachelor's degree in science from Gujarat University and a master's degree in business administration from St. Xavier's College, Gujarat University Prior to joining our Company. He has been associated with our Company since June 13, 2007. He is responsible for heading retail and is engaged in steering revenue growth, strategic investments and client relationships within the retail business vertical. For Fiscal 2025, he was paid remuneration of ₹ 12.31 million.

Sharad Prasad is the Chief Technology Officer of our Company. He has passed the bachelor's degree in science from Ranchi University and a master's degree in computer application from Birla Institute of Technology, Ranchi. Prior to joining our Company, he was associated with State Bank of India as deputy manager (systems). He has been associated with our Company since August 31, 2007. He is responsible for our Company's technological development, overseeing IT security and infrastructure, and ensuring that technological resources align with our Company's business needs. For Fiscal 2025, he was paid remuneration of ₹ 10.95 million.

Amit Saha is the Internal Audit Manager of our Company. He has a bachelor's degree in commerce from the University of Calcutta and a master's degree in commerce from the University of Calcutta. He is also a qualified member of the Institute of Chartered Accountants of India. Prior to joining our Company, he was associated with ICICI Bank Limited as a manager and IndusInd Bank Limited as a junior manager. He has been associated with our Company since January 29, 2013. He is responsible for overseeing the internal audit function, ensuring compliance with regulations, identifying risks and improving operational efficiency. For Fiscal 2025, he was paid remuneration of ₹ 4.65 million.

Aryaman Dhawan is the Chief Human Resource Officer and Interim: Head Process and Valuation of our Company. He has a bachelor's degree in science from State University of New York. Prior to joining our Company, he was associated with BIBA Apparels Private Limited as senior vice president and Head-HR. He has been associated with our Company since December 2, 2019. He is responsible for human resources strategies and initiatives aimed at developing and retaining talent. For Fiscal 2025, he was paid remuneration of ₹ 11.33 million.

Sumit Manchanda is the Chief Risk Officer of our Company. He has a bachelor's degree in commerce from University of Delhi. He is also a Chartered Accountant. Prior to joining our Company, he was associated with Citibank as senior vice president. He has been associated with our Company since February 6, 2023. He heads the risk function of our Company and is responsible for creating and enforcing risk management frameworks, overseeing business proposal evaluations and conducting risk investigations. For Fiscal 2025, he was paid remuneration of ₹ 13.87 million.

Gurleen Kaur Chhabra is the Head Legal and Interim: Collection and Resolution - Corporate of our Company. She has a bachelor's degree of social, legal science and degree of bachelors of laws from I.L.S Law College, University of Pune and she has passed the master of business laws degree programme from National Law School of India University. Prior to joining our Company, she was associated with Phoenix ARC as vice president. She has been associated with our Company since August 17, 2023. She is responsible for strategizing the Company's approach to litigation, managing the procurement of external legal services, and optimizing recovery value. For Fiscal 2025, she was paid remuneration of ₹ 8.79 million.

Rajat Agrawal is the Head Acquisition - Corporate and SME of our Company. He has a bachelor's degree in arts from University of Delhi and has passed post graduate programme in management from Indian Institute of Management, Ahmedabad. Prior to joining our Company, he was associated with BlackRock as director. He has been associated with our Company since June 10, 2024. He is responsible for steering revenue growth, strategic investments, managing client relationships, ensuring financial management, portfolio acquisitions and business development. For Fiscal 2025, he was paid remuneration of ₹ 11.50 million.

Vardhanapu William Raju is the Chief Compliance Officer of our Company. He has a bachelor's degree in commerce from Andhra University, master's degree in commerce from Andhra University, bachelor's degree in law from Osmania University and master's degree in business administration from The Institute of Chartered Financial Analysts of India University, Tripura. Prior to joining our Company, he was associated with Reserve Bank of India on a contractual basis. His role includes developing and implementing compliance policies, conducting risk assessments, managing audits, and ensuring timely reporting to regulatory bodies. He has been associated with our Company since April 1, 2025 and accordingly, he was paid no remuneration for Fiscal 2025.

Phanindranath Kakarla is the President of our Company. He has a bachelor's degree of technology in mechanical engineering from Indian Institute of Technology, Bombay and a post graduate diploma in management from Indian Institute of Management, Calcutta. Prior to joining our Company, he was associated with Edelweiss Group as senior executive vice president. He has been associated with our Company since April 2, 2025. He is responsible for collaboration across departments, leading acquisition and resolution of stressed assets. For Fiscal 2025, he was paid no remuneration.

Retirement and termination benefits

None of our Key Managerial Personnel or Senior Management would receive any benefits on their retirement or on termination of their employment with our Company.

Relationship among Key Managerial Personnel and/or Senior Management

None of our Key Managerial Personnel or Senior Management are related to any of our Directors or other Key Managerial Personnel or Senior Management.

Arrangements and understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel or Senior Management have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Status of Key Managerial Personnel and Senior Management

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

Attrition of Key Managerial Personnel and Senior Management vis-à-vis industry

The rate of attrition of our Key Managerial Personnel and Senior Management is not high in comparison to the industry in which we operate.

Shareholding of Key Managerial Personnel and Senior Management

Except as disclosed, as mentioned under '*Capital Structure - Details of the Shareholding of our Promoters, Directors, our Key Managerial Personnel, our Senior Management, directors of our Promoters and members of our Promoter Group*' on page 101, none of our Key Managerial Personnel and Senior Management hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

Service contracts with Key Managerial Personnel and Senior Management

Our Key Managerial Personnel and Senior Management are governed by the terms of their appointment letters/ employment contracts and have not entered into any service contracts with our Company.

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management

Except as disclosed below, there is no contingent or deferred compensation payable to the Key Managerial Personnel and Senior Management.

Ameet Ashok Kela, Amit Saha, Anup Satish Mittal, Aryaman Dhawan, Gurleen Kaur Chhabra, Pallav Mohapatra, Pramod Kumar Gupta, Sharad Prasad, Sumit Manchanda and Rajat Agarwal will be entitled to deferred compensation, details of which are set as below:

(₹ in million)

Name	Designation	Compensation accrued in Fiscal 2025 but payable at a later date
Ameet Ashok Kela	Company Secretary and Compliance Officer	3.76
Amit Saha	Internal Audit Manager	1.41
Anup Satish Mittal	Head – Retail Business	5.23
Aryaman Dhawan	Chief Human Resource Officer	4.40
Gurleen Kaur Chhabra	Head Legal, Valuation and Process	3.85
Pallav Mohapatra	Chief Executive Officer and Managing Director	13.11
Pramod Kumar Gupta	Chief Financial Officer	8.44
Sharad Prasad	Chief Technology Officer	4.26
Sumit Manchanda	Chief Risk Officer	5.50
Rajat Agarwal	Head Acquisition – Corporate and SME	6.97

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel and Senior Management are party to any profit-sharing plan of our Company other than performance based discretionary incentives given to the Key Managerial Personnel and Senior Management.

Interests of Key Managerial Personnel and Senior Management

Other than as disclosed in "*– Interest of our Directors*" on page 218, our Key Managerial Personnel (other than our Directors) and our Senior Management are interested in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service from our Company. Further, some of our Key Managerial Personnel are interested to the extent of Equity Shares held by them, or their relatives or by entities in which they are associated as a director and to the extent of benefits arising out of such shareholding. Our Key Managerial Personnel and Senior Management may be interested to the extent of any employee stock option schemes that may be formulated by our Company from time to time.

Changes in the Key Managerial Personnel or Senior Management in last three years

Other than as disclosed in "*– Changes to our Board in the last three years*" on page 219, the changes in our Key Managerial Personnel and our Senior Management during the three years immediately preceding the date of this Draft Red Herring Prospectus, are set out below:

Name	Date of appointment/ resignation/change in designation	Designation (at the time of appointment/ resignation/change in designation)	Reason
Rajeev Rajinder Pal Chhabra	July 1, 2025	Head-Collection and Resolution Corporate and SME	Resignation due to personal reasons
Phanindranath Kakarla	April 2, 2025	President	Appointment
Vardhanapu William Raju	April 1, 2025	Chief Compliance Officer	Appointment
Rajat Agrawal	June 10, 2024	Executive Vice President	Appointment
Gurleen Kaur Chhabra	August 17, 2023	Head of Legal	Appointment
Sumit Manchanda	February 6, 2023	Senior Vice President (Chief Risk Officer)	Appointment

Payment or benefit to officers of our Company

No non-salary related amount or benefit has been paid or given within the two preceding years or intended to be paid or given to any officer of our Company, including our Directors, Key Managerial Personnel and Senior Management other than in the ordinary course of their employment.

Employee Stock Option Plan

For details of the ESOP 2025 implemented by our Company, see "*Capital Structure – Employee Stock Option Plan*" on page 103.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

Avenue India Resurgence Pte. Ltd. and State Bank of India are the Promoters of our Company. Avenue India Resurgence Pte. Ltd. and State Bank of India have also been classified as Sponsors of our Company under the ARC Master Directions and the SARFAESI Act.

As on the date of this Draft Red Herring Prospectus, our Promoters cumulatively hold 291,383,245 Equity Shares of face value of ₹10 each, representing 89.68% of the paid-up Equity Share capital of our Company. For details, see "*Capital Structure – Details of build-up, Contribution and Lock-in of Promoters' Shareholding and Lock-in of other Equity Shares*" on page 96.

Details of the Promoters:

1. Avenue India Resurgence Pte. Ltd.

Corporate information

Avenue India Resurgence Pte. Ltd. was registered on June 8, 2018 under the laws of Singapore. The registered office of Avenue India Resurgence Pte. Ltd. is at 38 Beach Road, #29-11, South Beach Tower, Singapore – 189 767. Avenue India Resurgence Pte. Ltd. is a professionally managed company and is overseen by a board of directors. Avenue India Resurgence Pte. Ltd. holds 226,566,265 equity shares aggregating up to 69.73% of the paid-up Equity Share capital of the Company.

Capital Structure

The issued and paid-up share capital of Avenue India Resurgence Pte. Ltd. is USD 170,475,369 divided into 169,930,716 equity shares.

Nature of business of Avenue India Resurgence Pte. Ltd.

Avenue India Resurgence Pte. Ltd. is engaged in the business of investment holding. There has been no change in the business activities of Avenue India Resurgence Pte. Ltd.

Board of directors of Avenue India Resurgence Pte. Ltd.

The board of directors of Avenue India Resurgence Pte. Ltd. as on the date of this Draft Red Herring Prospectus are as follows:

Sr. No.	Name of Director	Designation
1.	Wong Chun Hoong	Secretary
2.	Low Mei Mei, Maureen	Secretary
3.	Ashish Shukla*	Director
4.	Chung Wai Shing	Director
5.	Lee Choon Chin	Director

* *Also, a Nominee Director on our Board.*

Shareholding pattern of Avenue India Resurgence Pte. Ltd.

The shareholding pattern of Avenue India Resurgence Pte. Ltd. as on the date of this Draft Red Herring Prospectus is as provided below:

Sr. No.	Name of Shareholder*	Number of shares bearing face value of USD 1 each	Percentage of shareholding (%)
1.	Avenue Asia Special Situations Fund V, L.P.	61,000,000	35.90
2.	Avenue Asia Special Situations Fund VI, L.P.	17,815,539	10.48
3.	Avenue Asia ARK Co-Investment, SCSp.	64,319,424	37.85
4.	Avenue RP Opportunities Fund, L.P.	21,133,858	12.44
5.	Avenue Global Opportunities Master Fund, L.P.	5,661,895	3.33
Total		169,930,716	100.00

* *The shareholders of Avenue India Resurgence Pte. Ltd. are funds and none of them hold more than 10% in our Company.*

Details of change in control of Avenue India Resurgence Pte. Ltd.

There has been no change in the control of Avenue India Resurgence Pte. Ltd. in the three years preceding the date of this Draft Red Herring Prospectus.

Promoter of Avenue India Resurgence Pte. Ltd.

Avenue India Resurgence Pte. Ltd. does not have identifiable promoters.

Other confirmations

Our Company confirms that the PAN, bank account number(s) and the corporate registration number where our Promoter is registered will be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus. Since Avenue India Resurgence Pte. Ltd. is registered under the laws of Singapore the address of the registrar of companies where Avenue India Resurgence Pte. Ltd. is registered is not applicable

As on the date of this Draft Red Herring Prospectus, the shares of Avenue India Resurgence Pte. Ltd. are not listed on any stock exchange.

2. State Bank of India

Corporate information

The Bank of Calcutta was established in the year 1806 and was renamed as the Bank of Bengal in the year1809. The Bank of Bombay and the Bank of Madras were opened for business in the year 1840 and 1843, respectively. In the year 1921, the Bank of Bengal, the Bank of Bombay and the Bank of Madras were merged by an act of the legislature to form the Imperial Bank of India. Thereafter, on July 1, 1955, the Imperial Bank of India was nationalised and State Bank of India was incorporated as a body corporate pursuant to the State Bank of India Act,1955. Subsequently, in April 2017, certain associate banks of State Bank of India being, State Bank of Bikaner and Jaipur, State Bank of Hyderabad, State Bank of Mysore, State Bank of Patiala and State Bank of Travancore and one non-associate bank of SBI being, Bhartiya Mahila Bank, were merged with State Bank of India. The primary place of business of State Bank of India is situated at State Bank Bhavan, Madame Cama Road, Nariman Point, Mumbai 400 021.

State Bank of India holds 19.95% of the paid-up Equity Share capital of our Company.

Capital Structure

The authorised share capital of State Bank of India is ₹ 50,000,000,000 divided into 50,000,000,000 shares of ₹ 1 each.

Nature of business of State Bank of India

State Bank of India is engaged in the business of banking and financial services. There has been no change in the business activities of State Bank of India

Board of directors of State Bank of India

The board of directors of State Bank of India as on the date of this Draft Red Herring Prospectus are as follows:

Sr. No.	Name	Designation
1.	Challa Sreenivasulu Setty	Executive Director, Chairman
2.	Ashwini Kumar Tewari	Executive Director, Managing Director
3.	Vinay M Tonse	Executive Director, Managing Director
4.	Rana Ashutosh Kumar Singh	Executive Director, Managing Director
5.	Rama Mohan Rao Amara	Executive Director, Managing Director
6.	Ketan S Vikamsey	Non-Executive - Independent Director
7.	Mrugank M Paranjape	Non-Executive - Independent Director
8.	Rajesh Kumar Dubey	Non-Executive - Independent Director
9.	Dharmendra Singh Shekhawat	Non-Executive - Independent Director
10.	Swati Gupta	Non-Executive - Independent Director
11.	Nagaraju Maddirala	Non-Executive - Independent Director
12.	Ajay Kumar	Non-Executive - Independent Director

Shareholding pattern of State Bank of India

The shareholding pattern of State Bank of India as on the date of June 30, 2025 as provided below:

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying depository receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of voting rights held in each class of securities (IX)				Number of Equity Shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialised form (XIV)
								Number of voting rights			Total as a % of (A+B+ C)			Number (a)	As a % of total Equity Shares held (b)	Number (a)	As a % of total Equity Shares held (b) on a fully diluted basis	
								Class: Equity Shares	Class: Others	Total								
(A)	Promoters and Promoter Group	1	5,079,775,288	-		5,079,775,288	57.42	101,595,505	-	-	57.42	-	-	-	-	-	-	5,079,775,288
(B)	Public	3,754,457	3,767,238,586	-	-	3,767,238,586	42.58	75,344,759	-	-	42.58	-	-	-	-	-	-	3,721,712,690
(C)	Non Promoter-Non Public	1	-	-	77,606,160	77,606,160	0.00	-	-	-	0.00	-	-	-	-	-	-	77,606,160
(C1)	Shares underlying depository receipts	1	-	-	77,606,160	77,606,160	0.00	-	-	-	0.00	-	-	-	-	-	-	77,606,160
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	0.00	-	0.00	-	-	-	-	-
	Total (A+B+C)	3,754,459	8,847,013,874	-	77,606,160	8,92,46,20,034	100.00	176,940,264	-	-	100.00	-	-	-	-	-	-	8,879,094,138

Details of change in control of State Bank of India

There has been no change in the control of State Bank of India in the three years preceding the date of this Draft Red Herring Prospectus.

Promoter of State Bank of India

The President of India, acting through the Ministry of Finance, Government of India (the "**President**") is State Bank of India's promoter and as of June 30, 2025, the President holds approximately 57.42% of State Bank of India's fully-diluted paid-up share capital. Further, the State Bank Act, 1955 provides that the Government of India shall at all times hold not less than 51.00% of State Bank of India's total share capital. Additionally, as State Bank of India's promoter, the President has effective control over the affairs of SBI.

As on the date of this Draft Red Herring Prospectus, there are no natural person who holds 15% or more voting rights in State Bank of India.

Other confirmations

Our Company confirms that the PAN, bank account number(s), the corporate registration number, as applicable will be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus. Since State Bank of India is registered under the State Bank of India Act, 1955 the address of the registrar of companies where State Bank of India is registered is not applicable.

The equity shares of SBI are currently listed on BSE and NSE.

The global depository receipts (GDRs) are listed on the London Stock Exchange.

Ther debt securities are listed on the BSE, NSE, Singapore Exchange and India International Exchange IFSC Limited.

Change in the management and control of our Company

Avenue India Resurgence Pte. Ltd. and State Bank of India are not the original promoters of the Company. For details in relation to the shareholding of our Promoters and Promoter Group, and changes in the shareholding of our Promoters, including in the five years preceding the date of this Draft Red Herring Prospectus, see "*Capital Structure*" on page 91.

Interests of our Promoters

Our Promoters are interested in our Company to the extent: (i) that they have promoted our Company; (ii) of their shareholding in our Company, the shareholding of entities in which our Promoters are interested and which hold Equity Shares in our Company; and (iii) and other distributions in respect of the Equity Shares held by our Promoters; For further details, see "*Capital Structure*" on page 91. Additionally, our Promoters may be interested in transactions entered into by our Company with them, their relatives or other entities which are controlled by our Promoters. For details of other related party transactions, see "*Restated Consolidated Financial Information – Note 44 – Related Party Transactions*" on page 338.

Our Promoters are not interested as a member of a firm or company and no sum has been paid or agreed to be paid to our Promoters or to any such firm or company in cash or shares or otherwise by any person either to induce them to become, or to qualify them as, a director, or otherwise, for services rendered by such Promoters or by such firm or company in connection with the promotion or formation of our Company.

Interest in property, land, construction of building and supply of machinery

Our Promoters do not have an interest in any property acquired by our Company during the three preceding years immediately preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Payment or benefits to Promoters or Promoter Group

Except as disclosed herein and as stated in *"Our Management - Terms of Appointment of the Executive Director"* and "*Our Management - Terms of appointment of our Non-Executive Directors*" and "*Restated Financial Information - Note 44 – Related Party Transactions*" on pages 217, 217 and 338, respectively, and except for the dividend paid to our Promoters by our Company] there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

Common Pursuit

Our Promoters have no common pursuits.

Experience of the Promoters in the business of our Company

Our Promoters have adequate experience in the business activities undertaken by our Company.

Companies or firms with which our Promoters have disassociated in the last three years

Except as stated below, our Promoters have not dissociated themselves from any companies or firms in the three years preceding the date of this Draft Red Herring Prospectus:

<table>
<tr><th>Name of the Promoter</th><th>Name of Company or Firm from which Promoter has Disassociated</th><th>Reasons for and Circumstances Leading to Disassociation</th><th>Date of Disassociation</th></tr>
<tr><td>State Bank of India</td><td>Jio Payment Bank Limited</td><td>Sale of Equity Shares</td><td>June 18, 2025</td></tr>
<tr><td>State Bank of India</td><td>Andhra Pradesh Grameena Vikas Bank</td><td rowspan="4">Phase-IV amalgamation of Regional Rural Banks as per the DFS Gazette Notification No.CG-DL-E-07042025-262329 dated 07th April 2025 under the “One State One RRB” concept</td><td rowspan="4">May 1, 2025</td></tr>
<tr><td>State Bank of India</td><td>Saurashtra Gramin Bank</td></tr>
<tr><td>State Bank of India</td><td>Madhyanchal Gramin Bank</td></tr>
<tr><td>State Bank of India</td><td>Utkal Grameen Bank</td></tr>
</table>

Material guarantees

Our Promoters have not given any material guarantee to any third parties with respect to the Equity Shares, as on the date of the Draft Red Herring Prospectus.

Other confirmations

There is no conflict of interest between any lessor of any immovable properties (which are crucial for operations of our Company) and our Promoters or members of the Promoter Group.

Promoter Group

In addition to our Promoter, the entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

Entities forming part of the Promoter Group

There are no promoter group entities in relation to Avenue India Resurgence Pte. Ltd., in terms of the SEBI ICDR Regulations.

The entities forming part of our Promoter Group in relation to State Bank of India, in terms of the SEBI ICDR Regulations are as follows:

1. Arunachal Pradesh Rural Bank;

2. Bank of Bhutan Ltd;

3. C - Edge Technologies Ltd.;

4. Central Warehousing Corporation;

5. Chhattisgarh Rajya Gramin Bank;

6. Commercial Indo Bank LLC, Moscow;

7. Ellaquai Dehati Bank;

8. Jharkhand Rajya Gramin Bank;

9. Macquarie SBI Infrastructure Management Pte. Ltd.;

10. Macquarie SBI Infrastructure Trustee Ltd.;

11. Meghalaya Rural Bank;

12. Mizoram Rural Bank;
13. Nagaland Rural Bank;
14. Nepal SBI Bank Ltd.;
15. Nepal SBI Merchant Banking Limited;
16. Oman India Joint Investment Fund – Management Company Pvt. Ltd.;
17. Oman India Joint Investment Fund – Trustee Company Pvt. Ltd;
18. President of India;
19. PT Bank SBI Indonesia;
20. Rajasthan Marudhara Gramin Bank;
21. SBI (Mauritius) Ltd.;
22. SBI Canada Bank;
23. SBI Capital Markets Ltd.;
24. SBI Cards and Payment Services Ltd.;
25. SBI CDMDF Trustee Pvt. Ltd.;
26. SBI DFHI Ltd.;
27. SBI Factors Ltd. (*formerly known as SBI Global Factors Ltd.*);
28. SBI Foundation;
29. SBI Funds International (IFSC) Limited;
30. SBI Funds Management (International) Private Pvt. Ltd.;
31. SBI Funds Management Ltd.;
32. SBI General Insurance Company Ltd.;
33. SBI Infra Management Solutions Pvt Ltd*;
34. SBI Life Insurance Company Ltd.;
35. SBI Macquarie Infrastructure Management Pvt. Ltd.;
36. SBI Macquarie Infrastructure Trustee Pvt. Ltd.;
37. SBI Mutual Fund Trustee Company Pvt Ltd.;
38. SBI Payment Services Pvt. Ltd.;
39. SBI Pension Funds Pvt Ltd.;
40. SBI Ventures Ltd. (*formerly known as SBICAP Ventures Ltd.*);
41. SBICAP Securities Ltd.;
42. SBICAP Trustee Company Ltd.;
43. SBI–SG Global Securities Services Pvt. Ltd.;
44. State Bank of India (California);
45. State Bank of India (UK) Limited;

46. State Bank of India Servicos Limitada;

47. State Bank Operations Support Services Pvt. Ltd.;

48. Telangana Grameena Bank;

49. Uttarakhand Gramin Bank; and

50. Yes Bank Ltd.

** SBI Infra Management Solutions Private Limited is under the process of liquidation.*

DIVIDEND POLICY

The dividend policy of our Company was adopted and approved by our Board in their meeting held on August 18, 2022 and subsequently amended on May 29, 2024. The declaration and payment of dividends, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable law, including the Companies Act.

The quantum of dividend, if any, will depend on a number of factors, including but not limited to advice of the executive management, and future investments for growth.

The Board of the company shall consider the following factors viz, the financial performance of the Company, the past dividend trends, the liquidity position of the company, capital expenditure requirements, if any, business expansions if any, debt obligations, external market conditions, future earnings outlook, applicable taxes including tax on dividend and any other relevant factors, material events etc, before considering the declaration of the dividend. When the performance of the company coupled with the market conditions are conducive/ favourable, the Board may consider declaring interim dividends as well.

For more information on restrictive covenants under our loan agreements, see "*Financial Indebtedness*" on page 370.

Except as stated below, no dividend has been declared or paid by our Company during the last three Fiscals preceding the date of this Draft Red Herring Prospectus nor since April 1, 2025 until the date of this Draft Red Herring Prospectus.

Particulars	**From April 1, 2025, to the date of this DRHP**	**For the Financial Year**		
		2025	**2024**	**2023**
Face value of Equity Shares *(in ₹)*	10	10	10	10
Final Dividend amount *(in ₹ million)*	-	-$	487.34	324.90
Interim Dividend *(in ₹ million)*	-	-	487.34	-
Number of Equity Shares of face value ₹10 each	324,897,140	324,897,140	324,897,140	324,897,140
Total final dividend per Equity Share *(in ₹)*	-	-	1.50	1.00
Total interim dividend per Equity Share *(in ₹)*	-	-	1.50	-
Rate of final dividend on Equity Share *(%)*	-	-	15.00	10.00
Rate of interim dividend on Equity Share *(%)*	-	-	15.00	-
Mode of payment	-	-	Bank Transfer	Bank Transfer

* *As certified by J. Kala & Associates, Chartered Accountant, (FRN: 118769W) by way of their certificate dated* August 1, 2025.

$ *Final dividend of ₹ 3.00 per equity share of face value of ₹10 each of the Company for the financial year ended March 31, 2025, has been recommended by the Board of Directors of the Company vide its resolution dated May 07, 2025, but is yet to be paid by the Company as of the date of this Draft Red Herring Prospectus.*

There is no guarantee that any dividends will be declared or paid in the future. For more details, see "*Risk Factors – Our Company may not be able to pay dividends in the future. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, profit after tax available for distribution, cash flows, working capital requirements and capital expenditure and the terms of our financing arrangements*" on page *62*.

SELECTED STATISTICAL INFORMATION

The following information should be read in conjunction with our Restated Financial Information on page 248, which includes our Restated Standalone Financial Information and our Restated Consolidated Financial Information for Fiscals 2025, 2024 and 2023, as well as the sections titled "Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Conditions and Results of Operations" on pages 40, 165, and 372, respectively. Certain non-Ind AS (and non-generally accepted accounting principles) financial measures and certain other statistical information relating to our operations and financial performance have been included in this section and elsewhere in this Draft Red Herring Prospectus. We compute and disclose such financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of asset reconstruction businesses, many of which provide such financial measures and other statistical and operational information when reporting their financial results. Such financial measures and such other statistical information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other asset reconstruction companies. Such measures should be read together with the nearest Ind AS measure. Further, while we operate across three business verticals of Corporate loans, SME and Other loans and Retail loans, we classify the stressed assets that we acquire based on the resolution mechanism we employ which are subject to our internal assessments. However, the CRISIL Report classifies the industry into Corporate/ Large borrower, MSME and Retail loans on the basis of classification done by the RBI.

AUM

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Total AUM (in ₹ million)[(1)]	168,525.70	152,300.31	162,234.83
(A) Average Total AUM (in ₹ million)[(2)]	160,413.00	157,267.57	151,296.95
(A1) AUM Split Segment			
- Retail AUM (in ₹ million)[(3)]	27,478.80	19,422.96	15,591.07
- Corporate AUM (in ₹ million)[(4)]	127,200.05	119,564.02	134,164.66
- SME and Other AUM (in ₹ million)[(5)]	13,846.85	13,313.33	12,479.10
- Retail AUM as a % of Total AUM (%)	16.31%	12.75%	9.61%
- Corporate AUM as a % of Total AUM (%)	75.48%	78.51%	82.70%
- SME and Other AUM as a % of Total AUM (%)	8.22%	8.74%	7.69%
(A2) Total AUM Split- Deal Type			
- Cash Acquisition AUM (in ₹ million)[(6)]	11,409.16	9,615.94	7,050.65
- Ordinary Security Receipts Acquisition AUM (in ₹ million)[(7)]	74,070.06	77,768.86	81,234.65
- Co-investor Acquisition AUM (in ₹ million)[(8)]	7,267.89	8,110.13	11,187.96
- Structured Acquisition AUM (in ₹ million)[(9)]	75,778.58	56,805.38	62,761.57
- Cash Acquisition AUM as a % of Total AUM (%)	6.77%	6.31%	4.35%
- Ordinary Security Receipts Acquisition AUM as a % of the Total AUM (%)	43.95%	51.06%	50.07%
- Co-investor Acquisition AUM as a % of Total AUM (%)	4.31%	5.33%	6.90%
- Structured Acquisition AUM as a % of Total AUM (%)	44.97%	37.30%	38.69%
(A3) Total AUM Ageing*			
- Total AUM up to 1 year (in ₹ million)	37,462.37	11,358.03	37,707.27
- Total AUM for more than 1 year up to 3 years (in ₹ million)	33,246.47	41,969.04	30,386.68
- Total AUM for more than 3 years and up to 5 years (in ₹ million)	17,643.86	20,461.97	9,508.94
- Total AUM for more than 5 years and up to 8 years (in ₹ million)	8,253.15	5,520.41	9,640.36
- Total AUM more than 8 years (in ₹ million)	71,919.85	72,990.86	74,991.58
- Total AUM up to 1 year as a percentage of Total AUM (%)	22.23%	7.46%	23.24%
- Total AUM for more than 1 year and up to 3 years as a percentage of Total AUM (%)	19.73%	27.56%	18.73%
- Total AUM for more than 3 years and up to 5 years as a percentage of Total AUM (%)	10.47%	13.44%	5.86%
- Total AUM for more than 5 years and up to 8 years as a percentage of Total AUM (%)	4.90%	3.62%	5.94%
- Total AUM more than 8 years as a % of Total AUM (%)	42.68%	47.93%	46.22%
(A4) AUM Credit Rating[(10)]			
- RR1+/ RR1 (in ₹ million)[(11)]	28,409.56	25,418.41	20,449.77
- RR2 (in ₹ million)[(12)]	37,209.06	33,543.01	26,606.66
- RR3 (in ₹ million)[(13)]	14,613.30	11,707.59	11,502.41

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
- RR4/ RR5 (in ₹ million)(14)	2,545.89	3,375.72	2,626.79
- **Total Rated AUM (in ₹ million)(15)**	**82,777.80**	**74,044.73**	**61,185.62**
- Unrated (in ₹ million)(16)	15,889.02	6,712.03	24,508.28
- RR1+/ RR1 as a percentage of Total Rated AUM (%)	34.32%	34.33%	33.42%
- RR2 as a percentage of Total Rated AUM (%)	44.95%	45.30%	43.49%
- RR3 as a percentage of Total Rated AUM (%)	17.65%	15.81%	18.80%
- RR4/ RR5 as a percentage of Total Rated AUM (%)	3.08%	4.56%	4.29%
- Unrated % as a percentage of Total Rated AUM (%)	Rating under process. An unrated portfolio is on account of new acquisitions which are in the process of being rated.		
(A5) AUM- Secured (in ₹ million)(17)	152,744.88	141,737.90	150,083.44
AUM- Unsecured (in ₹ million)(18)	15,780.82	10,562.41	12,151.39
AUM- Secured as a % of Total AUM (%)	90.64%	93.06%	92.51%
AUM- Unsecured as a % of Total AUM (%)	9.36%	6.94%	7.49%
(A6) Total AUM- Less than 8 Year Split	**96,605.85**	**79,309.45**	**87,243.25**
Segment Wise			
- Retail AUM less than 8 years (in ₹ million)	23,557.13	15,628.65	11,782.67
- Corporate AUM less than 8 years (in ₹ million)	67,619.48	58,566.42	71,910.85
- SME and Other AUM less than 8 years (in ₹ million)	5,429.25	5,114.38	3,549.72
- Retail AUM less than 8 years (%)	24.38%	19.71%	13.51%
- Corporate AUM less than 8 years (%)	70.00%	73.85%	82.43%
- SME and Other AUM less than 8 years (%)	5.62%	6.45%	4.07%
Deal Type less than 8 year split			
- Cash Acquisition AUM less than 8 years (in ₹ million)	10,204.09	8,383.21	4,930.11
- Ordinary Security Receipts Acquisition AUM less than 8 years (in ₹ million)	5,116.81	7,722.47	10,858.77
- Co-Investor Acquisition AUM less than 8 years (in ₹ million)	5,506.37	6,398.40	8,692.80
- Structured Acquisition AUM less than 8 years (in ₹ million)	75,778.58	56,805.38	62,761.57
- Cash Acquisitions AUM less than 8 years as a % of total AUM less than 8 years (%)	10.56%	10.57%	5.65%
- Ordinary Security Receipts Acquisitions AUM less than 8 years as a % of total AUM less than 8 years (%)	5.30%	9.74%	12.45%
- Co-Investor Acquisitions AUM less than 8 years as a % of total AUM less than 8 years (%)	5.70%	8.07%	9.96%
- Structured Acquisitions AUM less than 8 years as a % of total AUM less than 8 years (%)	78.44%	71.62%	71.94%
(B) Company’s Share in Total AUM			
- Company’s share in the total AUM (in ₹ million)	32,983.01	27,633.87	26,445.09
- Company’s share in the AUM as a % of the Total AUM (%)	19.57%	18.14%	16.30%
(B1) Company’s AUM Split- Segment			
- Company’s share in Retail AUM (in ₹ million)	10,248.20	7,325.72	4,270.12
- Company’s share in Corporate AUM (in ₹ million)	18,575.47	16,906.38	19,230.18
- Company’s share in SME and Other AUM (in ₹ million)	4,159.34	3,401.78	2,944.79
- Company’s share in Retail AUM as a % of Company’s share in Total AUM (%)	31.07%	26.51%	16.15%
- Company’s share in Corporate AUM as a % of Company’s share in Total AUM (%)	56.32%	61.18%	72.72%
- Company’s share in SME and Other AUM as a % of Company’s share in Total AUM (%)	12.61%	12.31%	11.14%
(B2) Company’s AUM Split- Deal Type			
- Company’s share in Cash Acquisitions AUM (in ₹ million)	11,409.16	9,615.94	7,050.65
- Company’s share in Ordinary Security Receipts Acquisitions AUM (in ₹ million)	7,107.95	7,576.20	8,132.69
- Company’s share in Co-Investor Acquisitions AUM (in ₹ million)	825.97	881.72	1,368.41
- Company’s share in Structured Acquisitions AUM (in ₹ million)	13,639.93	9,560.00	9,893.34
- Company’s share in Cash Acquisitions AUM as a % of Company’s share in Total AUM (%)	34.59%	34.80%	26.66%
- Company’s share in Ordinary Security Receipts Acquisitions AUM as a % of Company’s share in Total AUM (%)	21.55%	27.42%	30.75%

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
- Company's share in Co-Investor Acquisitions AUM as a % of Company's share in Total AUM (%)	2.50%	3.19%	5.17%
- Company's share in Structured Acquisitions AUM as a % of Company's share in Total AUM (%)	41.35%	34.60%	37.41%
(B3) Company's AUM Ageing Split*			
- Company's share in total AUM up to 1 year (in ₹ million)	11,549.31	6,322.15	6,320.16
- Company's share in total AUM more than 1 year and up to 3 years (in ₹ million)	7,554.28	8,013.53	5,777.12
- Company's share in total AUM more than 3 years and up to 5 years (in ₹ million)	3,660.37	3,662.92	2,972.33
- Company's share in total AUM more than 5 years and up to 8 years (in ₹ million)	2,684.36	2,027.68	2,752.75
- Company's share in total AUM more than 8 years (in ₹ million)	7,534.69	7,607.59	8,622.73
- Company's share in total AUM up to 1 year as a % of Company's share in total AUM (%)	35.02%	22.88%	23.90%
- Company's share in total AUM more than 1 year and up to 3 years as a % of Company's share in total AUM (%)	22.90%	29.00%	21.85%
- Company's share in total AUM more than 3 years and up to 5 years as a % of Company's share in total AUM (%)	11.10%	13.26%	11.24%
- Company's share in total AUM more than 5 years and up to 8 years as a % of Company's share in total AUM (%)	8.14%	7.34%	10.41%
- Company's share in total AUM more than 8 years as a % of Company's share in total AUM (%)	22.84%	27.53%	32.61%

Notes:

Security Receipt(s) - Section 2(1)(zg) in The Securitisation And Reconstruction Of Financial Assets And Enforcement Of Security Interest Act, 2002 (zg) security receipt means a receipt or other security, issued by an asset reconstruction company to any qualified buyer pursuant to a scheme, evidencing the purchase or acquisition by the holder thereof, of an undivided right, title or interest in the financial asset involved in securitisation; ("SR").

** In accordance with RBI guidelines, security receipts that are held by us and not redeemed within a timeframe of eight years are required to be treated as loss assets and written-off in the books of investors and the asset reconstruction company. For further details, see "Management's Discussion and Analysis of Financial Condition- Significant Factors Affecting our Results of Operations- Government policy and regulations" on page 373.*

(1) *Total Assets under management (AUM) comprises of SRs outstanding of all trusts managed by our Company as on the last day of the year.*

(2) *Average Total AUM is the simple average of Total AUM as on the last day of each of the relevant year and as on the last day of the preceding year.*

(3) *Retail AUM is outstanding SRs pertaining to the Retail portfolio managed by our Company as on the last day of the year. While we operate across three business verticals of Corporate loans, SME and Other loans and Retail loans, we classify the stressed assets that we acquire based on the resolution mechanism we employ which are subject to our internal assessments. However, the CRISIL Report classifies the industry into Corporate/ Large borrower, MSME and Retail loans on the basis of classification done by the RBI. For further details, see "Risk Factors- Certain sections of this Draft Red Herring Prospectus disclose information from the CRISIL Report which is a paid report and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 61.*

(4) *Corporate AUM is the outstanding SRs pertaining to the Corporate portfolio managed by our Company as on the last day of the year. While we operate across three business verticals of Corporate loans, SME and Other loans and Retail loans, we classify the stressed assets that we acquire based on the resolution mechanism we employ which are subject to our internal assessments. However, the CRISIL Report classifies the industry into Corporate/ Large borrower, MSME and Retail loans on the basis of classification done by the RBI. For further details, see "Risk Factors- Certain sections of this Draft Red Herring Prospectus disclose information from the CRISIL Report which is a paid report and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 61.*

(5) *SME and Other AUM is outstanding SRs pertaining to the SME and Other portfolio managed by our Company as on the last day of the year. While we operate across three business verticals of Corporate loans, SME and Other loans and Retail loans, we classify the stressed assets that we acquire based on the resolution mechanism we employ which are subject to our internal assessments. However, the CRISIL Report classifies the industry into Corporate/ Large borrower, MSME and Retail loans on the basis of classification done by the RBI. For further details, see "Risk Factors- Certain sections of this Draft Red Herring Prospectus disclose information from the CRISIL Report which is a paid report and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 61.*

(6) *Cash Acquisition AUM is the outstanding SRs pertaining to Cash Acquisition as on the last day of the year. Cash acquisitions are deals where all the security receipts issued by the trust are subscribed to us and all the returns of the trust belong to us. In such transactions, we primarily generate investment income, which is the upside over our acquisition cost.*

(7) *Ordinary Security Receipts Acquisition AUM is the outstanding SRs pertaining to Ordinary Security Receipts Acquisition as on the last day of the year. Ordinary security receipts acquisitions are deals where the security receipts are subscribed to by us and the seller of stressed assets and the returns are shares by us in proportion of our holdings of the security receipts. In such transactions, we generate fee income which includes management fee, collection fee or resolution fee, from the trust's cash flow on the AUM, as well as investment income on our capital invested.*

(8) *Co-investor Acquisition AUM is the outstanding SRs pertaining to Co-Investor Acquisition as on the last day of the year. Co-investor acquisition typically involves the subscription of security receipts by us and one or more QBs other than the seller of the stresses assets and the returns are shares by us in proportion of our holdings of the security receipts. In such transactions, we generate fee income which includes management fee, collection fee or resolution fee, from the trust's cash flow on the AUM, as well as investment income on our capital invested.*

(9) *Structured Acquisition AUM is outstanding SRs pertaining to Structured Acquisition as on the last day of the year. Structured acquisitions are similar to ordinary security receipts acquisitions where we and the seller of stressed assets subscribe to the security receipts, except that there is a cap on the returns that we make in such transactions. In such transactions, we generate a larger portion of revenue through fee income which includes management fee, collection fee or resolution fee, from the trust's cash flow on the AUM and a small portion of revenue as investment income on the capital invested, subject to the cap on the IRR.*

(10) *All SRs issued by the trusts are required to be rated by SEBI registered Rating Agencies.*

(11) *RR1+: Indicates 150% and above recovery of outstanding face value of SRs; RR1: Indicates 100% to 150% recovery of outstanding face value of SRs.*

(12) *RR2: Indicates 75% to 100% recovery of outstanding face value of SRs.*

(13) *RR3: Indicates 50% to 75% recovery of outstanding face value of SRs.*

(14) *RR4: Indicates 25% to 50% recovery of outstanding face value of SRs; RR5: Indicates 0% to 25% recovery of outstanding face value of SRs.*

(15) *Total Rated AUM is the Total AUM with ageing less than 8 years. For SRs over 8 years, the ratings are compulsorily withdrawn based on guidelines prescribed by the RBI, except in certain exceptional circumstances, as prescribed by the RBI. In accordance with the guidelines prescribed by RBI, the above table includes certain SRs, where the SRs issued by the trusts managed by us are over 8 years, but where the RBI guidelines allow for such SRs to be rated.*

(16) *Unrated: An unrated portfolio is on account of new acquisitions which were in the process of being rated.*

(17) *AUM - Secured is the outstanding SRs as on the last day of the relevant year where assets are secured by way of mortgage, guarantee and pledge.*

(18) *AUM - Unsecured is the outstanding SRs as on the last day of the relevant year where assets where assets are unsecured and generally includes, credit card, education and personal loans.*

Acquisitions

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
(C) Total Acquisitions or Cumulative SRs Issued (in ₹ million)[19]	**381,556.32**	**341,797.61**	**321,107.79**
Total Acquisition for the year[20]	39,758.71	20,689.82	42,889.62
(C1) Total Acquisition for the year- Segment wise			
- Retail acquisition for the year (in ₹ million)[21]	12,979.20	12,452.42	5,882.06
- Corporate acquisition for the year (in ₹ million)[22]	25,679.51	5,547.15	35,625.32
- SME and Other for the year (in ₹ million)[23]	1,100.00	2,690.25	1,382.24
- Retail acquisition for the year as a % of total acquisition for the year (%)	32.64%	60.19%	13.71%
- Corporate acquisition for the year as a % of total acquisition for the year (%)	64.59%	26.81%	83.06%
- SME and Other acquisition for the year as a % of total acquisition for the year (%)	2.77%	13.00%	3.22%
(C2) Total Acquisition Split for the year- Deal Type			
- Cash Acquisitions for the year (in ₹ million)[24]	5,603.83	5,368.71	1,734.28
- Ordinary Security Receipts Acquisitions for the year (in ₹ million)[25]	296.00	1,400.00	919.50
- Co-Investor Acquisitions for the year (in ₹ million)[26]	754.70	521.05	3,791.30
- Structured Acquisitions for the year (in ₹ million)[27]	33,104.18	13,400.07	36,444.54
- Cash Acquisitions for the year as a % of total acquisitions for the year (%)	14.09%	25.95%	4.04%
- Ordinary Security Receipts Acquisitions for the year as a % of total acquisitions for the year (%)	0.74%	6.77%	2.14%
- Co-Investor Acquisitions for the year as a % of total acquisitions for the year (%)	1.90%	2.52%	8.84%
- Structured Acquisitions for the year as a % of total acquisitions for the year (%)	83.26%	64.77%	84.97%
(D) Company's share in total acquisitions for the year	12,814.89	9,449.68	8,166.62
Company's share in total acquisition for the year as a % of total acquisition for the year	32.23%	45.67%	19.04%
(D1) Company's share in total acquisition for the year- Segment Wise			
- Company's share in Retail acquisition for the year (in ₹ million)	5,251.51	5,422.12	1,289.13
- Company's share in Corporate acquisition for the year (in ₹ million)	6,463.38	2,853.61	5,626.84
- Company's share in SME and Other acquisition for the year (in ₹ million)	1,100.00	1,173.95	1,250.64
- Company's share in Retail acquisition for the year as a % of total acquisition for the year (%)	40.98%	57.38%	15.79%
- Company's share in Corporate acquisition for the year as a % of Company's share in total acquisition for the year (%)	50.44%	30.20%	68.90%
- Company's share in SME and Other acquisition for the year as a % of Company's share in total acquisition for the year (%)	8.58%	12.42%	15.31%
(D2) Company's share in total acquisition for the year- Deal Type			
- Company's share in Cash Acquisitions for the year (in ₹ million)	5,603.83	5,368.71	1,734.28
- Company's share in Ordinary Security Receipts Acquisitions for the year (in ₹ million)	44.40	280.00	183.90
- Company's share in Co-Investor Acquisitions for the year (in ₹ million)	224.13	130.03	101.30
- Company's share in Structured Acquisitions for the year (in ₹ million)	6,942.52	3,670.95	6,147.14
- Company's share in Cash Acquisitions for the year as a % of Company's share in total acquisitions for the year (%)	43.73%	56.81%	21.24%
- Company's share in Ordinary Security Receipts Acquisitions for the year as a % of Company's share in total acquisitions for the year (%)	0.35%	2.96%	2.25%
- Company's share in Co-Investor Acquisitions for the year as a % of Company's share in total acquisitions for the year (%)	1.75%	1.38%	1.24%
- Company's share in Structured Acquisitions for the year as a % of Company's share in total acquisitions for the year (%)	54.18%	38.85%	75.27%

Notes:

(19) Total Acquisition or Cumulative SRs issued is the value of total SRs issued by the trusts managed by us since inception of the Company till as of the last day of the relevant year.

(20) Total Acquisition for the year is the value of total purchase consideration paid for the acquisition of stressed assets during the year. This amount is equivalent to the value of Security Receipts issued by the trusts managed by us during the year.

(21) Retail Acquisition for the year is the value of total purchase consideration paid for the acquisition of Retail stressed assets during the year.

(22) Corporate Acquisition for the year is the value of total purchase consideration paid for the acquisition of Corporate stressed assets during the year.

(23) SME and Other Acquisition for the year is the value of total purchase consideration paid for the acquisition of SME and Other stressed assets during the year.

(24) Cash Acquisitions for the year are deals where all the security receipts issued by the trust are subscribed to by us and all the returns of the trust belong to us.

(25) Ordinary Security Receipts Acquisitions for the year are deals where the security receipts are subscribed to by us and the seller of the stressed assets and the returns are shared by us in proportion of our holdings of the security receipts.

(26) Co-investor Acquisitions for the year typically involve the subscription of security receipts by us and one or more QBs other than the seller of the stressed assets and the returns are shared by us in proportion of our holdings of the security receipts.

(27) Structured acquisitions for the year are similar to ordinary security receipts acquisitions where we and the seller of the stressed assets subscribe to the security receipts, except that there is a cap on the returns that we make in such transactions.

Collection/ Recovery

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
(E) Collection/ Recovery for the year (in ₹ million)[28]	38,826.55	36,781.46	27,167.57

Notes:

(28) Collection (or) Recovery for the year is the value of amount collected (or) recovered from the borrowers against the AUM managed by the Company during the year.

Redemption

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Cumulative SR Redemption (in ₹ million)[29]	197,619.10	175,385.99	145,851.29
SR Redemption for the year (in ₹ million)[30]	22,233.11	29,534.71	20,269.76
Cumulative SR Redemption Ratio (%)[31]	51.79%	51.31%	45.42%

Notes:

(29) Cumulative SR Redemption is the value of SRs redeemed by the trusts managed by our Company since inception till as on the last day of the relevant year.

(30) SR Redemption for the year is the value of SRs redeemed by our Company the trusts managed by us during the year.

(31) Cumulative SR Redemption Ratio is cumulative SRs redeemed by the trusts managed by our Company till end of a relevant year divided by Cumulative SRs issued by the trusts managed by us till end of the relevant year.

Total Borrowings

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Borrowing Split- Sources of Borrowing			
Term Loan (in ₹ million)	1,000.00	500.00	-
Working Capital Loan (in ₹ million)	2,059.86	999.47	1,180.13
Average Cost of Borrowing (%)[32]	9.91%	5.78%	1.79%
Debt to Equity Ratio[33]	0.11	0.06	0.05

Notes:

(32) Average Cost of Borrowings represents finance cost for the relevant year as a percentage of Average Total Borrowings for the relevant year. Finance cost excludes interest expense on lease liabilities for the relevant year. Average Total Borrowings is the simple average of total borrowings as on the last day of the relevant year and the preceding year.

(33) Debt to Equity is calculated by dividing total debt (including both current and non-current borrowings and interest accrued but not due) as on year end by the net worth of the company for the year end.

Trusts

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Cumulative Trusts (Including closed trusts) (number)[34]	652	615	598
Live Trusts/ Active Trusts (number)[35]	453	434	437
Closed Trusts (number)[36]	199	181	161

Notes:

(34) Cumulative trusts is the total number of trusts formed by the Company since inception of the Company till as on the last day of the relevant year for the purpose of purchase of stressed assets.

(35) Live trusts are the total number of trusts which are active and resolution is still ongoing as on the last day of the relevant year.

(36) Closed trusts are the total number of trusts where all assets in such trusts have been resolved and the trust is formally closed as on the last day of the relevant year.

Distribution Network

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Total Branches (number)[37]	13	13	15
Number of Employees[38]	193	221	229
Number of Employees - Collection Team[39]	60	82	91

Notes:
(37) Total branches represents the number of branches as on the last day of the relevant year.
(38) Number of Employees represents the number of employees as on the last day of the relevant year.
(39) Number of Employees- Collection Team represents the number of employees directly involved in recovery of amount from borrowers against the AUM managed by the Company.

Credit Rating- Company

Particulars	Fiscal 2025*	Fiscal 2024	Fiscal 2023
Credit Rating(40)	AA-(Stable)	AA-(Stable)	A+(Stable)

Notes:
*(40) Credit Rating issued by registered rating agency with SEBI for long term bank facilities and for *non-convertible debentures of the Company, which have been rated but are yet to be issued, as at the last day of the year.*

Other Operational Metrics

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Number of Registered Valuers	201	189	187
Number of Certified Enforcement Agents	163	94	68
Number of Lawyers Empanelled	950	842	769

Return on Average Total AUM and Average Net Worth

On a Standalone Basis

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Fees and Other Income as a % of Average Total AUM (%)(41)	1.07%	1.14%	1.15%
Other Operating Income as a % of Average Total AUM (%)(42)	1.20%	0.52%	1.08%
Recovery of Security Receipts, Unrealized Fee and Expenses (written off earlier) as a % of Average Total AUM (%)(43)	0.62%	1.83%	0.93%
Interest Income as a % of Average Total AUM (%)(44)	0.09%	0.14%	0.20%
Net Gain on fair value changes-Unrealised as a % of Average Total AUM (%)(45)	0.74%	0.00%	1.61%
Total Revenue from Operations as a % of Average Total AUM (%)(46)	3.72%	3.63%	4.97%
Other Income as a % of Average Total AUM (%)(47)	0.17%	0.03%	0.02%
Total Revenue as a % of Average Total AUM (%)(48)	3.89%	3.65%	4.98%
Finance Cost as a % of Average Total AUM (%)(49)	0.07%	0.03%	0.01%
Employee Benefit Expenses as a % of Average Total AUM (%)(50)	0.38%	0.35%	0.36%
Depreciation, Amortisation and Impairment Expenses as a % of Average Total AUM (%)(51)	0.01%	0.01%	0.01%
Net Loss on Fair Value Changes - Unrealised Exp as a % of Average Total AUM (%)(52)	0.00%	0.16%	0.00%
Other Expense as a % of Average Total AUM (%)(53)	0.19%	0.16%	0.12%
Impairment of Financial Instruments / Financial Assets Exp as a % of Average Total AUM (%)(54)	0.02%	0.02%	-0.15%
Write-offs – of Security Receipts, Unrealized Fee & Expenses as a % of Average Total AUM (%)(55)	0.23%	0.31%	2.50%
Total Expenses as a % of Average Total AUM (%)(56)	0.91%	1.05%	2.86%
Profit Before Tax as a % of Average Total AUM (%)(57)	2.98%	2.60%	2.13%
Profit After Tax as a % of Average Total AUM (%)(58)	2.22%	1.94%	1.58%
Net Worth (in ₹ million) (59)	27,677.98	24,625.11	22,397.43
Average Networth(60) (in ₹ million)	26,151.55	23,511.27	21,366.77
Return on Average Networth (%)(61)	13.59%	12.99%	11.19%

Notes:
(41) Fees and Other Income % represents Fees and Other Income as a percentage of Average Total AUM in the year.
(42) Other Operating Income % represents Other Operating Income as a percentage of Average Total AUM in the year
(43) Recovery of Security Receipts, Unrealized Fee & Expenses (written off earlier) % represents Recovery of Security Receipts, Unrealized Fee & Expenses (written off earlier) as a percentage of Average Total AUM in the year.
(44) Interest Income % represents Interest Income as a percentage of Average Total AUM in the year
(45) Net Gain on fair value changes-Unrealised % represents Net Gain on fair value changes-Unrealised as a percentage of Average Total AUM.
(46) Total Revenue from Operations % represents Total Revenue from Operations as a percentage of Average Total AUM.
(47) Other Income % represents Other Income as a percentage of Average Total AUM.
(48) Total Revenue % represents Total Revenue as a percentage of Average Total AUM.
(49) Finance Cost % represents Finance Cost as a percentage of Average Total AUM.
(50) Employee Benefit Expenses % represents Employee Benefit Expenses as a percentage of Average Total AUM.
(51) Depreciation, Amortisation and Impairment Expenses % represents Depreciation, Amortisation and Impairment Expenses as a percentage of Average Total AUM.
(52) Net Loss on Fair Value Changes - Unrealised Expenses % represents Net Loss on Fair Value Changes - Unrealised Expenses as a percentage of Average Total AUM.
(53) Other Expense % represents Other Expense as a percentage of Average Total AUM.

(54) *Impairment of Financial Instruments / Financial Assets Expenses % represents Impairment of Financial Instruments / Financial Assets Expenses as a percentage of Average Total AUM.*
(55) *Write-offs – of Securities Receipts, Unrealized Fee and Expenses % represents Write-offs - – of Securities Receipts, Unrealized Fee and Expenses as a percentage of Average Total AUM.*
(56) *Total Expenses % represents Total Expenses as a percentage of Average Total AUM.*
(57) *Profit Before Tax % represents Profit Before Tax as a percentage of Average Total AUM.*
(58) *Profit After Tax % represents Profit After Tax as a percentage of Average Total AUM.*
(59) *Net worth means the aggregate value of the paid - up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write - back of depreciation and amalgamation. Net worth is calculated as equity share capital plus Instrument entirely equity in nature plus other equity.*
(60) *Average Net Worth represents the simple average of Net Worth as of the last day of the relevant year and as of the last day of the preceding year.*
(61) *Return on Average Net Worth is calculated by dividing restated profit for the year by average Net worth.*

On a Consolidated Basis

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Fees and Other Income as a % of Average Total AUM (%)(62)	0.80%	0.93%	1.09%
Other Operating Income as a % of Average Total AUM (%)(63)	1.24%	0.95%	1.22%
Recovery of Security Receipts, Unrealized Fee & Expenses (written off earlier) as a % of Average Total AUM (%)(64)	0.62%	1.83%	0.93%
Interest Income as a % of Average Total AUM (%)(65)	0.13%	0.14%	0.23%
Net Gain on fair value changes-Unrealised as a % of Average Total AUM (%)(66)	0.84%	0.00%	1.88%
Total Revenue from Operations as a % of Average Total AUM (%)(67)	3.63%	3.85%	5.35%
Other Income as a % of Average Total AUM (%)(68)	0.16%	0.02%	0.02%
Total Revenue as a % of Average Total AUM (%)(69)	3.79%	3.88%	5.37%
Finance Cost as a % of Average Total AUM (%)(70)	0.07%	0.04%	0.01%
Employee Benefit Expenses as a % of Average Total AUM (%)(71)	0.38%	0.35%	0.36%
Depreciation, Amortisation and Impairment Expenses as a % of Average Total AUM (%)(72)	0.01%	0.01%	0.01%
Net Loss on Fair Value Changes - Unrealised Exp as a % of Average Total AUM (%)(73)	0.00%	0.15%	0.00%
Other Expense as a % of Average Total AUM (%)(74)	0.39%	0.36%	0.08%
Impairment of Financial Instruments / Financial Assets Exp as a % of Average Total AUM (%)(75)	0.02%	0.01%	-0.15%
Write-offs – of Security Receipts, Unrealized Fee & Expenses as a % of Average Total AUM (%)(76)	0.23%	0.31%	2.50%
Total Expenses as a % of Average Total AUM (%)(77)	1.10%	1.24%	2.82%
Profit Before Tax as a % of Average Total AUM (%)(78)	2.69%	2.64%	2.55%
Profit After Tax attributable to Company as a % of Average Total AUM (%)(79)	2.05%	2.10%	1.89%
Networth (in ₹ million)(80)	26,631.41	24,265.14	22,441.56
Average Networth (in ₹ million)(81)	25,448.28	23,353.35	21,337.71
Return on Average Net Worth (%)(82)	12.95%	14.15%	13.43%

Notes:
(62) *Fees and Other Income % represents Fees and Other Income as a percentage of Average Total AUM in the year.*
(63) *Other Operating Income % represents Other Operating Income as a percentage of Average Total AUM in the year.*
(64) *Recovery of SR, Unrealized Fee & Expenses (written off earlier) % represents Recovery of SR, Unrealized Fee and Expenses (written off earlier as a percentage of Average Total AUM in the year.*
(65) *Interest Income % represents Interest Income as a percentage of Average Total AUM in the year.*
(66) *Net Gain on fair value changes-Unrealised % represents Net Gain on fair value changes-Unrealised as a percentage of Average Total AUM.*
(67) *Total Revenue from operations % represents Total Revenue from operations as a percentage of Average Total AUM.*
(68) *Other Income % represents Other Income as a percentage of Average Total AUM.*
(69) *Total Revenue % represents Total Revenue as a percentage of Average Total AUM.*
(70) *Finance Cost % represents Finance Cost as a percentage of Average Total AUM.*
(71) *Employee Benefit Expenses % represents Employee Benefit Expenses as a percentage of Average Total AUM.*
(72) *Depreciation, Amortisation & Impairment Expenses % represents Depreciation, Amortisation and Impairment Expenses as a percentage of Average Total AUM.*
(73) *Net Loss on Fair Value Changes - Unrealised Expenses % represents Net Loss on Fair Value Changes - Unrealised Expenses as a percentage of Average Total AUM.*
(74) *Other Expense % represents Other Expense as a percentage of Average Total AUM.*
(75) *Impairment of Financial Instruments / Financial Assets Expenses % represents Impairment of Financial Instruments / Financial Assets Expenses as a percentage of Average Total AUM.*
(76) *Write-offs – of Security Receipts, Unrealized Fee & Expenses represents Write-offs - of Security Receipts, Unrealized Fee & Expenses as a percentage of Average Total AUM.*
(77) *Total Expenses % represents Total Expenses as a percentage of Average Total AUM.*
(78) *Profit Before Tax % represents Profit Before Tax as a percentage of Average Total AUM.*
(79) *Profit After Tax % attributable to Company represents Profit After Tax attributable to Company as a percentage of Average Total AUM.*
(80) *Net worth means the aggregate value of the paid - up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write - back of depreciation and amalgamation. Net worth is calculated as equity share capital plus Instrument entirely equity in nature plus other equity.*

[81] *Average Net Worth represents the simple average of Net Worth as of the last day of the relevant year and as of the last day of the preceding year*
[82] *Return on Average Net Worth is calculated by dividing restated profit attributable to the Company for the year by average Net worth.*

The following table sets forth certain financial information of our Company on a restated and standalone basis for the years indicated:

Particulars	**As of/for the year ended March 31, 2025**	**As of/for the year ended March 31, 2024**	**As of/for the year ended March 31, 2023**
Revenue from operations (₹ million)	5,964.23	5,701.41	7,513.14
Fees and other income	1,719.08	1,788.71	1,734.55
Other operating income	1,922.53	823.38	1,635.17
Recovery of security receipts, unrealized fee and expenses (written off earlier)	1,000.32	2,874.74	1,408.98
Interest income	137.84	214.58	295.15
Net gain/(loss) on fair value changes	1,184.46	-	2,439.29
Total Income (₹ million)	6,233.99	5,741.06	7,537.11
Fees and other income as a percentage of Total Income (%)	27.58%	31.16%	23.01%
Other operating income as a percentage of Total Income (%)	30.84%	14.34%	21.69%
Other income (₹ million)	269.76	39.65	23.97
Impairment of Financial Instruments/ Financial Assets (₹ million)	38.93	23.90	(233.32)
Write off of Security Receipts, Unrealized Fee and Expenses (₹ million)	367.13	492.64	3,786.31
Finance Costs (₹ million)	113.31	40.06	15.98
Employee Benefits Expenses (₹ million)	609.42	556.60	547.78
Depreciation, Amortization and Impairment (₹ million)	21.53	19.32	21.41
Other Expenses (₹ million)	311.29	258.57	183.83
Net gain/(loss) on fair value changes (₹ million)	-	258.02	-
Profit for the year (PAT) (₹ million)	3,553.19	3,053.41	2,391.24
PAT Margin	57.00%	53.19%	31.73%
Debt to Equity[1] (in times)	0.11	0.06	0.05
Return on Average Equity[2] (%)	13.59%	12.99%	11.19%
Return on Average Total Assets[3] (%)	11.73%	11.48%	9.83%
Net owned Funds[4] (₹ million)	25,637.95	23,915.14	21,382.76
CRAR[5] (%)	90.59%	99.03%	95.82%

Notes:

[1]Debt to Equity is calculated by dividing total debt (including both current and non-current borrowings and interest accrued but not due) as on year end by the net worth of the company for the year end.
[2]Return on Average Equity is calculated by dividing profit for the period divided by the average Net Worth. Average Net Worth represents the simple average of Net Worth as of the last day of the relevant year and as of the last day of the preceding year.
[3]Return on Average Total Assets is calculated by dividing profit for the relevant year divided by average Total Assets. Average total assets represent the simple average of total assets as of the last day of the relevant year and as of the last day of the preceding year.
[4] Net Owned Funds is calculated by adjusting the net worth for impairment, fair value losses and any intangibles.
[5] Capital adequacy ratio or capital to risk weighted assets ratio (CRAR) is computed by dividing our Tier I and Tier II capital by risk weighted assets (CRAR) (%) is computed in accordance with the relevant RBI guidelines.

The following table sets forth certain financial information of our Company on a restated and consolidated basis for the years indicated:

Particulars	**As of/for the year ended March 31, 2025**	**As of/for the year ended March 31, 2024**	**As of/for the year ended March 31, 2023**
Revenue from operations (₹ million)	5,817.55	6,058.24	8,091.94
Fees and other income	1,275.95	1,466.75	1,644.29
Other operating income	1,988.01	1,498.95	1,839.04
Recovery of security receipts, unrealized fee and expenses (written off earlier)	1,000.31	2,875.52	1,408.97
Interest income	206.59	217.01	352.12
Net gain on fair value changes	1,346.69	-	2,847.52
Total Income (₹ million)	6,078.37	6,094.89	8,126.67
Fees and other income as a percentage of Total Income (%)	20.99%	24.07%	20.23%
Other operating income as a percentage of Total Income (%)	32.71%	24.59%	22.63%
Other income (₹ million)	260.82	36.65	34.73
Impairment of Financial Instruments/ Financial Assets (₹	28.46	19.43	(233.80)

Particulars	As of/for the year ended March 31, 2025	As of/for the year ended March 31, 2024	As of/for the year ended March 31, 2023
million)			
Write off of Security Receipts, Unrealized Fee and Expenses (₹ million)	367.13	492.64	3,786.34
Finance Costs (₹ million)	113.31	61.38	15.98
Employee Benefits Expenses (₹ million)	609.41	556.59	547.79
Depreciation, Amortization and Impairment (₹ million)	21.53	19.32	21.41
Other Expenses (₹ million)	626.94	559.56	125.66
Net gain/(loss) on fair value changes (₹ million)	-	238.55	-
Profit for the year (PAT) attributable to the Company (₹ million)	3,295.08	3,304.65	2,865.99
PAT Margin	54.21%	54.22%	35.27%
Debt to Equity[(1)] (in times)	0.11	0.06	0.05
Return on Average Equity[(2)] (%)	12.95%	14.15%	13.43%
Return on Average Total Assets[(3)] (%)	8.18%	10.25%	10.80%

Notes:

[(1)]Debt to Equity is calculated by dividing total debt (including both current and non-current borrowings and interest accrued but not due) as on year end by the net worth of the company for the year end.

[(2)] Return on Average Equity is calculated by dividing profit attributable to the Company for the period divided by the average Net Worth. Average Net Worth represents the simple average of Net Worth as of the last day of the relevant year and as of the last day of the preceding year.

[(3)] Return on Average Total Assets is calculated by dividing profit attributable to the Company for the relevant year divided by average Total Assets. Average total assets represent the simple average of total assets as of the last day of the relevant year and as of the last day of the preceding year.

SECTION V: FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

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Examination Report of Independent Auditor on the Restated Standalone Financial Information.

The Board of Directors
Asset Reconstruction Company (India) Limited
The Ruby, 10th Floor, 29, Senapati Bapat Marg,
Dadar (West), Mumbai 400 028

Dear Sirs/ Madams,

1. We have examined the Restated Standalone Financial Information of Asset Reconstruction Company (India) Limited (the "Company") comprising the Restated Balance Sheet as at March 31, 2025, March 31, 2024 and March 31, 2023 and Restated Statement of Profits and Loss, Restated Statement of Cash Flow, Restated Statement of Changes in Equity and Notes to the Restated Standalone Financial Information which includes the Statement of Material Accounting Policies and other explanatory information for years ended March 31, 2025, March 31, 2024 and March 31, 2023 (collectively, the "Restated Standalone Financial Information") annexed to this report for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") on a voluntary basis prepared by the Company in connection with its proposed Initial Public Offer of equity shares of face value of Rs. 10 each ("Offer"). The Restated Standalone Financial Information, which have been approved by the board of directors of the Company (the "Board of Directors") at their meeting held on 31 July, 2025, and have been prepared by the Company in accordance with the requirements of:

   a) the Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

   b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"); and

   c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2. The Company's management are responsible for the preparation of Restated Standalone Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India ("SEBI"), BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") where the equity shares of the Company are proposed to be listed ("Stock Exchanges"), in connection with the Offer. The Restated Standalone Financial Information have been prepared by the management of the Company in accordance with the basis of preparation stated in Note 2 to Notes forming part of the Restated Standalone Financial Information. The management of the Company is responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Board of Directors of the Company are also responsible for identifying and ensuring that the Company complies with the Act, the SEBI ICDR Regulations and the Guidance Note.

3. We have examined the Restated Standalone Financial Information taking into consideration:

   a) the terms of reference and our engagement agreed with you vide our engagement letter dated 30 May, 2025, in connection with the Offer.

   b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements as stated in the Code of Ethics issued by the ICAI;

   c) the concepts of test check and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Standalone Financial Information; and

   d) the requirements of Section 26 of the Act and the SEBI ICDR Regulations.

   Our work was performed solely to assist you in meeting your responsibilities in relation to compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the Offer.

4. The Restated Standalone Financial Information have been compiled by the management of the Company from the audited financial statements of the company as at and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023 prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, and have been approved by the Board of Directors at their meeting held on 31 July, 2025.

5. For the purpose of our examination, we have relied on:

a) Auditor's report issued by us dated May 07, 2025 on the financial statements of the Company as at and for the year ended March 31, 2025 as referred in Para 4 above. The audited financial statements of the Company for the year ended March 31, 2025 didn't include any Emphasis of Matter Paragraph.

b) Auditor's reports issued by K. S. Aiyar & Co ("Previous Auditor") dated May 29, 2024 on the financial statements of the Company as at and for the year ended March 31, 2024, as referred in Para 4 above. The audited financial statements of the Company for the year ended March 31, 2024 didn't include any Emphasis of Matter Paragraph.

c) Auditor's reports issued by the Previous Auditor dated May 22, 2023 on the financial statements of the Company as at and for the year ended March 31, 2023, as referred in Para 4 above. The audited financial statements of the Company for the year ended March 31, 2023 didn't include any Emphasis of Matter Paragraph.

6. Based on the above and according to the information and explanations given to us, we report that:

i) Restated Standalone Financial Information have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings/ reclassifications retrospectively in the financial years as at and for the years March 31, 2023 and March 31, 2024, to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2025, as more fully described in note 73 to the Restated Standalone Financial Information;

ii) there are no qualifications in the auditor's reports on the audited financial statements of the Company as at and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023 which require any adjustments to the Restated Standalone Financial Information; and

iii) Restated Standalone Financial Information have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note.

7. The Restated Standalone Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 4 above.

8. This report should not in any way be construed as a reissuance or re-dating of any of the previous auditor's reports issued by us or by the Previous Auditor, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of this report.

10. Our report is intended solely for use of the Board of Directors and for inclusion in the DRHP to be filed with the SEBI, the Stock Exchanges, as applicable in connection with the Offer. Our report should not be used, referred to or distributed for any other purpose without prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or in whose hands it may come without our prior consent in writing.

For M S K A & Associates
Chartered Accountants
Firm Registration Number: 105047W

Swapnil Kale
Partner
Membership Number: 117812
UDIN: 25117812BMNUXV3210

Place: Mumbai
Date: 31 July, 2025

Asset Reconstruction Company (India) Limited
Restated Standalone Balance Sheet as at March 31, 2025

(Rs. In millions)

	Particulars	Note	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	Assets				
1	**Financial assets**				
(a)	Cash and Cash Equivalents	3	1,369.08	3,324.83	2,004.32
(b)	Bank Balance other than Cash and Cash Equivalents	4	1,217.81	770.48	2,207.21
(c)	Trade Receivables	5	720.50	729.74	566.77
(d)	Investments	6	27,716.51	20,623.94	17,769.62
(e)	Other Financial Assets	7	242.09	174.37	154.96
	Total Financial assets (I)		**31,265.99**	**25,623.36**	**22,702.88**
2	**Non-financial assets**				
(a)	Current Tax Assets (Net)		355.88	1,318.93	1,561.02
(b)	Property, Plant and Equipment	9	354.61	369.97	378.42
(c)	Other Intangible Assets	10	37.49	3.19	1.33
(d)	Intangible Assets Under Development	11	6.76	33.00	-
(e)	Other Non-Financial Assets	12	617.43	604.91	594.31
	Total Non-financial assets (II)		**1,372.17**	**2,330.00**	**2,535.08**
	Total Assets (I + II)		**32,638.16**	**27,953.36**	**25,237.96**
	Liabilities and Equity				
	Liabilities				
1	**Financial liabilities**				
(a)	Payables	13			
	(i) total outstanding dues of micro enterprises and small enterprises		3.41	2.00	0.17
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		15.13	12.23	3.23
(b)	Borrowings (other than Debt securities)	14	3,059.86	1,499.47	1,180.13
(c)	Other Financial Liabilities	15	298.00	1,121.55	509.06
	Total Financial liabilities (III)		**3,376.40**	**2,635.25**	**1,692.59**
2	**Non-financial liabilities**				
(a)	Provisions	16	421.53	404.74	435.08
(b)	Deferred Tax Liabilities (Net)	8	456.55	106.24	181.64
(c)	Other Non-Financial Liabilities	17	705.70	182.02	531.22
	Total Non-financial liabilities (IV)		**1,583.78**	**693.00**	**1,147.94**
3	**Equity**				
(a)	Equity Share Capital	18	3,248.97	3,248.97	3,248.97
(b)	Other Equity	18A	24,429.01	21,376.14	19,148.46
	Total Equity (V)		**27,677.98**	**24,625.11**	**22,397.43**
	Total Liabilities and Equity (III+ IV + V)		**32,638.16**	**27,953.36**	**25,237.96**

Material accounting policies
The above balance sheet should be read in conjunction with the accompanying notes 1-75 and Annexure I & II.

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number : 105047W

Swapnil Kale
Partner
Membership Number : 117812

Place: Mumbai
Date: July 31, 2025

For Asset Reconstruction Company (India) Limited

Narayanan Subramaniam
Chairman
DIN: 00166621

Pallav Mohapatra
CEO & MD
DIN: 02300885

PRAMOD KUMAR GUPTA
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Pramod Gupta
Chief Financial Officer

Ameet Kela
Company Secretary

Place: Mumbai
Date: July 31, 2025

Asset Reconstruction Company (India) Limited

Restated Standalone Statement of Profit and Loss for the year ended March 31, 2025

(Rs. In millions)

	Particulars	Note	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
	Revenue from Operations				
(i)	Fees and Other Income	19	1,719.08	1,788.71	1,734.55
(ii)	Other Operating Income	20	1,922.53	823.38	1,635.17
(iii)	Recovery of Security Receipts, Unrealized Fee & Expenses (written off earlier)	21	1,000.32	2,874.74	1,408.98
(iv)	Interest Income	22	137.84	214.58	295.15
(v)	Net Gain on Fair Value Changes-Unrealised	23	1,184.46	-	2,439.29
	Total Revenue from Operations (I)		**5,964.23**	**5,701.41**	**7,513.14**
	Other Income (II)	24	**269.76**	**39.65**	**23.97**
	Total Income (III=I+II)		**6,233.99**	**5,741.06**	**7,537.11**
	Expenses				
(i)	Finance Costs	25	113.31	40.06	15.98
(ii)	Impairment of Financial Instruments/ Financial Assets	26	38.93	23.90	(233.32)
(iii)	Employee Benefits Expenses	27	609.42	556.60	547.78
(iv)	Depreciation, Amortization and Impairment	28	21.53	19.32	21.41
(v)	Write off of Security Receipts, Unrealized Fee & Expenses	29	367.13	492.64	3,786.31
(vi)	Other Expenses	30	311.29	258.57	183.83
(vii)	Net Loss on Fair Value Changes-Unrealised	23	-	258.02	-
	Total Expenses (IV)		**1,461.61**	**1,649.11**	**4,321.99**
	Profit before tax (V=III-IV)		**4,772.38**	**4,091.95**	**3,215.12**
	Tax Expense (VI)				
	(1) Current Tax		868.88	1,113.94	357.21
	(2) Deferred Tax		350.31	(75.40)	466.67
			1,219.19	**1,038.54**	**823.88**
	Profit for the year (VII=V-VI)		**3,553.19**	**3,053.41**	**2,391.24**
	Other Comprehensive Income				
	a. Items that will not be realised to profit & loss				
	- Remeasurement of defined benefit plans		(17.33)	(18.03)	(6.69)
	b. Income tax relating to items that will not be realised to profit & loss		4.36	4.54	1.68
	Total Other Comprehensive Income (a+b)		**(12.97)**	**(13.49)**	**(5.01)**
	Comprehensive Income for the Year		**3,540.22**	**3,039.92**	**2,386.23**
	Earnings per equity share:				
	(Nominal Value `10/- per share)				
	- Basic and diluted (in Rs.)	34	10.94	9.40	7.36

Material accounting policies
The above balance sheet should be read in conjunction with the accompanying notes 1-75 and Annexure I & II.

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number : 105047W

Swapnil Kale
Partner
Membership Number : 117812

Place: Mumbai
Date: July 31, 2025

For Asset Reconstruction Company (India) Limited

Narayanan Subramaniam
Chairman
DIN: 00166621

Pallav Mohapatra
CEO & MD
DIN: 02300885

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Pramod Gupta
Chief Financial Officer

Ameet Kela
Company Secretary

Place: Mumbai
Date: July 31, 2025

Asset Reconstruction Company (India) Limited
Restated Standalone Statement of Cash flow for the year ended March 31, 2025

(Rs. In millions)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES:			
Profit Before Tax	4,772.38	4,091.95	3,215.12
Adjustments for:			
Security Receipts written off	204.01	49.46	2,491.28
Realisation against investments written off in previous years	(144.17)	(1,454.95)	(918.90)
Unrealised fees & expenses written off (net)	(693.02)	(976.61)	804.95
Profit on sale of Property, plant & equipment	(0.29)	(0.34)	(0.09)
Depreciation, amortization and impairment	21.53	19.32	21.41
Profit on sale of equity shares	(1.16)	-	-
Profit on mutual fund redemption	(12.98)	-	-
Fair Value (gain)/ loss on equity shares	0.59	(0.55)	0.15
Fair Value (gain)/ loss on security receipts	(1,184.74)	258.57	(2,439.44)
Fair Value (gain)/ loss on mutual funds	(0.31)	-	-
Impairment gain/(loss) on financial instruments	38.93	23.90	(233.33)
Interest on Income Tax Refund	(217.82)	(7.88)	-
Interest on Priority Debt Funding	-	-	(76.16)
Interest on deposits with Banks	(99.04)	(136.33)	(126.84)
Finance cost	113.31	40.06	15.98
Operating Cash Flow before Working Capital changes	2,797.22	1,906.60	2,754.14
Working Capital Changes:			
Decrease / (Increase) in Trade Receivables	394.25	394.57	70.65
Decrease / (Increase) in Other Financial and Non-Financial Assets	188.83	365.06	875.41
Increase / (Decrease) in Payables	4.32	10.82	(34.57)
Increase / (Decrease) Other Financial Liabilities	(815.93)	610.07	44.05
Increase/ (Decrease) in Remeasurements of defined benefit plans	(17.33)	(18.03)	(6.69)
Increase / (Decrease) in Other Non Financial Liabilities and Provisions	540.47	(379.54)	(358.48)
Cash generated from operations	3,091.83	2,889.56	3,344.51
Direct taxes paid (net of refunds)	98.53	(867.02)	(628.15)
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	**3,190.36**	**2,022.54**	**2,716.36**
CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of Fixed Assets including capital advances	(15.47)	(43.96)	(8.34)
Proceeds from Sale of Fixed Assets	0.32	1.25	0.71
Proceeds from redemption of Investments	7,246.08	7,748.44	5,100.19
Investments in Security Receipts	(12,814.86)	(9,449.68)	(8,166.61)
Investments in Mutual Fund	(2,719.87)	-	-
Receipt of Priority Debt Funding	-	-	180.00
Proceeds from sale of equity shares/NCDs	1.98	-	-
Redemption in Mutual Fund	2,332.88	-	-
(Increase) / Decrease in Bank deposits not considered as cash & cash equivalent	(425.37)	1,387.65	(777.89)
(Increase) / Decrease in earmarked constituent balances	(15.71)	48.47	(18.58)
Interest on Income Tax Refund	217.82	7.88	-
Interest on Priority Debt Funding	-	-	113.35
Interest Received on deposits with bank	92.79	136.94	127.26
NET CASH (USED IN) INVESTING ACTIVITIES (B)	**(6,099.42)**	**(163.01)**	**(3,449.91)**
CASH FLOW FROM FINANCING ACTIVITIES:			
Proceeds / (Repayment) from Short Term Borrowings (net)	1,059.82	(180.53)	231.26
Proceeds / (Repayment) from Term Loan (net)	500.00	500.00	(320.00)
Dividend paid	(487.35)	(812.24)	(324.90)
Finance cost	(112.45)	(38.82)	(14.52)
Repayment of Lease Liabilites	(6.72)	(7.44)	(6.93)
NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	**953.30**	**(539.03)**	**(435.09)**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(1,955.75)**	**1,320.50**	**(1,168.64)**
Cash and Cash Equivalents at the beginning of the year	**3,324.83**	**2,004.33**	**3,172.97**
Cash and Cash Equivalents at the end of the year (Refer Note 3)	**1,369.08**	**3,324.83**	**2,004.33**
Components of Cash & Cash Equivalents			
Balances with banks			
- on current account	257.91	956.79	175.99
- on deposits with maturity less than 3 months	1,111.17	2,368.04	1,828.28
Cash on hand	-	-	0.05
	1,369.08	**3,324.83**	**2,004.33**

The above statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows.

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number : 105047W

For Asset Reconstruction Company (India) Limited

Narayanan Subramaniam
Chairman
DIN: 00166621

Pallav Mohapatra
CEO & MD
DIN: 02300885

Swapnil Kale
Partner
Membership Number : 117812

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Pramod Gupta
Chief Financial Officer

Ameet Kela
Company Secretary

Place: Mumbai
Date: July 31, 2025

Place: Mumbai
Date: July 31, 2025

Asset Reconstruction Company (India) Limited
Restated Standalone Statement of Changes in Equity for the year ended March 31, 2025

(Rs. In millions)

A. Equity Share Capital

For the year ended March 31, 2025

Balance as at April 01, 2024	Changes in equity share capital during the period	Balance as at March 31, 2025
3,248.97	**-**	**3,248.97**

For the year ended March 31, 2024

Balance as at April 01, 2023	Changes in equity share capital during the period	Balance as at March 31, 2024
3,248.97	**-**	**3,248.97**

For the year ended March 31, 2023

Balance as at April 01, 2022	Changes in equity share capital during the period	Balance as at March 31, 2023
3,248.97	**-**	**3,248.97**

B. Other Equity

Particulars	Reserves & Surplus					Items of Other Comprehensive Income	Total
	Securities Premium	General Reserve	Impairment Reserve	Contingency Reserve	Retained Earnings	Re-measurement of net defined benefit plans	
Balance as at March 31, 2022	**9,094.25**	**94.53**	**-**	**518.46**	**7,385.50**	**(5.61)**	**17,087.13**
Profit for the period after income tax	-	-	-	-	2,391.24	-	2,391.24
Appropriation for Impairment Reserve	-	-	83.39	-	(83.39)	-	-
Other Comprehensive income for the year before income tax	-	-	-	-	-	(6.69)	(6.69)
Less: Income tax on Other Comprehensive Income	-	-	-	-	-	1.68	1.68
Total Comprehensive Income for the period	**-**	**-**	**83.39**	**-**	**2,307.85**	**(5.01)**	**2,386.23**
Dividend paid					**(324.90)**		**(324.90)**
Balance as at March 31, 2023	**9,094.25**	**94.53**	**83.39**	**518.46**	**9,368.45**	**(10.62)**	**19,148.46**
Profit for the period after income tax	-	-	-	-	3,053.41	-	3,053.41
Other Comprehensive income for the year before income tax	-	-	-	-	-	(18.03)	(18.03)
Less: Income tax on Other Comprehensive Income	-	-	-	-	-	4.54	4.54
Total Comprehensive Income for the period	**-**	**-**	**-**	**-**	**3,053.41**	**(13.49)**	**3,039.92**
Dividend paid					**(812.24)**		**(812.24)**
Balance as at March 31, 2024	**9,094.25**	**94.53**	**83.39**	**518.46**	**11,609.62**	**(24.11)**	**21,376.14**
Profit for the period after income tax	-	-	-	-	3,553.19	-	3,553.19
Other Comprehensive income for the year before income tax	-	-	-	-	-	(17.33)	(17.33)
Less: Income tax on Other Comprehensive Income	-	-	-	-	-	4.36	4.36
Other Adjustments/Transfer		518.46		(518.46)	-	-	-
Total Comprehensive Income for the period	**-**	**518.46**	**-**	**(518.46)**	**3,553.19**	**(12.97)**	**3,540.22**
Dividend paid/Payable	**-**	**-**	**-**	**-**	(487.35)	**-**	(487.35)
Balance as at March 31, 2025	**9,094.25**	**612.99**	**83.39**	**-**	**14,675.46**	**(37.08)**	**24,429.02**

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number : 105047W

Swapnil Kale
Partner
Membership Number : 117812

Place: Mumbai
Date: July 31, 2025

For Asset Reconstruction Company (India) Limited

Narayanan Subramaniam
Chairman
DIN: 00166621

Pallav Mohapatra
CEO & MD
DIN: 02300885

PRAMOD KUMAR GUPTA
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Pramod Gupta
Chief Financial Officer

Ameet Kela
Company Secretary

Place: Mumbai
Date: July 31, 2025

1. Corporate Information

Asset Reconstruction Company (India) Limited (Arcil) was incorporated as a public limited company on 11th February 2002 under the Companies Act 1956, and in pursuance of Section 3 under the Securitisation Asset Reconstruction and Security Interest Act, 2002 (SARFAESI Act).

It holds a certificate of registration issued by the Reserve Bank of India (RBI) vide RBI certificate of registration no. 01/2003 dated 29th August 2003 and operates as an Asset Reconstruction Company with powers conferred under the SARFAESI Act.

The company is engaged in the business of acquisition of non-performing and distressed assets (NPA) from Banks & Financial institutions and resolving them. It is regulated by Reserve Bank of India as a Non-Banking Financial Company (u/s 45 I (f) (iii) of RBI Act, 1934).

The Company is domiciled in India and its registered office is at 10th Floor, The Ruby, Senapati Bapat Marg, Dadar (W), Mumbai – 400 028.

2. Material accounting policies

2.1 Basis of preparation and presentation

The Restated financial information of the company comprising of Restated Standalone Balance Sheet of the company as on March 31, 2025, March 31, 2024, March 31, 2023 Restated standalone statement of Profit & Loss (including other comprehensive income), Restated standalone statement of changes in Equity and Restated standalone statement of Cashflow of the Company for the year ended March 31, 2025, March 31, 2024, March 31, 2023 and the summary of material Accounting policy and Explanatory information (Collectively “Restated financial information”). These Restated financial information is prepared by management of the company for the purpose of inclusion in the Draft Red Hearing Prospectus(DRHP) prepared by the Company in connection with their proposed initial public offer (‘IPO”) of Equity.

The Restated Financial information have been prepared by the company in terms of requirement of
a)the sub-section(1) of section 26 of Part I of Chapter III of the Companies Act, 2013, and rules made thereunder as amended (together the “Act”).
b) The Securities and Exchange Board of India (issue of Capital and Disclosure requirement) Regulation 2018 as amended (the “ICDR Regulation”).
c) The guidance note on reports in company prospectus (Revised 2019) issued by The Institute of Chartered Accountants of India (ICAI) as amended(the “Guidance note’)).

The Restated Financial information have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the Restated Financial Information. The Restated Financial Information are presented in INR, the functional currency of the Company and all values are rounded to the nearest million (INR 000,000), except as otherwise indicated.

The Restated Financial Information have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards, notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, and other accounting principles generally accepted in India.

Historical cost is generally based on actual consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these Restated Financial Information is determined on this basis.

Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

2.2 Application of new and revised Ind AS

Standard issued and effective:
All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised for issue have been considered in preparing these financial statements.

2.3 Key accounting judgements and key sources of estimation uncertainty
In the application of the Company's accounting policies, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Fair value measurement of Security Receipts

Investments in SRs are measured at latest declared NAV which is based on recovery ratings bands as determined by the independent rating agencies. (Refer 2.13.1.5)

Defined benefit obligations

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (Refer 2.6)

Useful Lives of Property, Plant and Equipment

The Company reviews the useful life of assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. (Refer 2.8)

Intangible Assets

The Company reviews the useful life of intangible assets at the end of each reporting period. This reassessment may result in change in amortisation expense in future periods. (Refer 2.9)

Expected Credit Loss

ECL on Trade Receivables (including Management fees receivable from SR holders) and Contract asset (including funded expenses and funded interest) is based on simplified method of ECL computation as permitted under Ind AS 109.

On a prudential basis, an ECL @ 0.40% is being made on outstanding NCDs.

For Loans and priority debt funding, ECL is provided for on individual assessment basis.

Provisions and Contingent Liabilities

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. (Refer 2.11)

2.4 Revenue recognition

2.4.1 Management / Trusteeship and other related fees:
Management / Trusteeship and other related fees are recognised when the company satisfies the performance obligation. The Company recognises such revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation
Revenue is measured at the amount transaction price (net of variable consideration) allocated to that performance obligation.

Management fee in excess of billing is recognized as unbilled Management fee in the financial statement.

Accrual of management fees is based on commercial arrangement with trusts where Management Fees is accrued and charged as a percentage on the lower band of NAV specified by Credit Rating Agency or declared NAV whichever is lower. The accrual of management fee is discontinued once the NAV rating is withdrawn/ discontinued.

2.4.2 Dividend Income:
Dividend income is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

2.4.3 Interest Income:
Interest income from interest bearing financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is recognised/ estimated using the effective interest rate method. The effective interest rate which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. However, recognition of interest on receivables from Trusts is discontinued when NAV of Security receipts of the Trust becomes Nil. The unrecognised interest is recognised on realisation.

2.4.4 Net income from financial instruments at FVTPL
Net income from financial instruments at FVTPL includes all realized and unrealized fair value changes and recognized in the Statement of Profit and Loss.

2.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of profit or loss in the period in which they are incurred.

2.6 Employee benefits

2.6.1 Retirement benefit costs and termination benefits

Defined contribution plans - Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans - For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest income), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs and the Gains / loss arising on remeasurement are presented in Other Comprehensive Income

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

2.6.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.6.3 Contributions from employees or third parties to defined benefit plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).

- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Company reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Company reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

2.7 <u>Taxation</u>

Income tax expense represents the sum of the current tax and deferred tax.

2.7.1 <u>Current tax</u>

The current tax is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.7.2 <u>Deferred tax</u>

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those Deferred Tax Asset will be utilised.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, is considered as deferred tax in the Balance Sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with it will be realized.

2.7.3 <u>Current and deferred tax for the year</u>

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

2.8 <u>Property, plant and equipment (PPE)</u>

The cost of an item of property, plant and equipment is recognised if it is probable that future economic benefits associated with the item will flow to the company and the cost thereof can be measured reliably. All property, plant and equipment are initially recognised at cost. Cost comprises the purchase price and any directly attributable cost to bring the asset to its working condition for its intended use.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets purchased during the year are depreciated on the basis of actual number of days the asset has been put to use in the year. Assets individually costing Rs. 5,000/- or less are fully depreciated in the year of purchase.

Estimated Useful life of Assets is as Below:

Category of PPE	**Estimated Useful life**
Office Building	60 years or over the lease period whichever is lower
Leasehold improvements	60 years or over the lease period whichever is lower
Furniture & Fixtures	6.67 years
Office Equipment	5 years
Computers	3 years
Vehicles	5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or sale of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.9 <u>Intangible assets</u>

2.9.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Estimated useful life of software is 4 years.

2.9.2 Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in Statement of profit or loss when the asset is derecognised.

2.10 Investment in Subsidiary and Associates

Trusts are special purpose vehicles formed under SARFAESI and RBI guidelines which are managed by Arcil in its capacity as a Trustee.

Control is defined to mean where an entity has power over the investee, existing rights that give it the current ability to direct the relevant activities and it also has exposure to variable returns from the Trusts.

For Trusts where Arcil's outstanding Investment in Security Receipts are more than 25%, have been considered as subsidiaries. For Trusts where Arcil's outstanding Investment in Security Receipts are between 20% to 25%, have been considered as Associates.

Investment in subsidiaries and associates are measured in accordance with Ind AS 109 in Standalone Financial Statements.

2.11 Provisions, Contingent Liabilities and Contingent Assets

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A Contingent Liability is disclosed unless the possibility of an outflow of resources embodying the economic benefits is remote. Contingent assets are not recognized in the financial statements. .

2.12 Financial instruments

Financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

2.13.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales, are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.13.1.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):
- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in OCI for designated FVTOCI debt instruments. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other debt instruments are subsequently measured at fair value through profit and loss.

The Financial assets contain Management fees and expenses recoverable from Trusts.

2.13.1.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument which are at amortised cost and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.13.1.3 Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

2.13.1.4 Equity investments at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

Dividends on investments in equity instruments are recognised as 'other income' when the Company's right to receive the dividends is established.

2.13.1.5 Investment in Security receipts at fair value through profit or loss (FVTPL)

Investments in Security receipts are classified as at FVTPL. Investment in Security receipts at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. In respect of Security Receipts, the last declared NAV which is based on rating / grading reviewed by an approved Credit Rating agencies are considered as fair value. For cases which fall under planning period as defined by the RBI guidelines for SC/RC, cost of Security Receipts are considered as fair value which is normally the transaction cost. The initial rating is assigned within six months from the date of acquisition of assets. Thereafter, ratings are reviewed at six monthly intervals i.e as on 30th June and 31st December every year. However, the NAV has been reviewed on a continuous basis so that any material change in valuation of SRs is recognized immediately.

2.13.1.6 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI and other contractual rights to receive cash or other financial assets.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

ECL on Trade Receivables (including Management fees receivable from SR holders) and Contract asset (including funded expenses and funded interest) is based on simplified method of ECL computation as permitted under Ind AS 109.

On a prudential basis, an ECL @ 0.40% is being made on outstanding NCDs.

For Loans and priority debt funding, ECL is provided for on individual assessment basis.

2.13.1.7 Derecognition of financial assets

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss, other than on sale of equity instruments designated at FVTOCI.

2.13.1.8 Write Off

a) Security Receipts

Outstanding Investments in Security Receipts are written off if there is no realistic prospect of recovery from such trusts on expiry of maximum resolution period or on closure of the concerned Trust; whichever is earlier. Any subsequent recoveries made are recognised in profit or loss.

b) Management Fees and Other recoverable from Trust

Management Fees and Other recoverable from trust are written off if there is no realistic prospect of recovery from such trusts on expiry of maximum resolution period or on closure of the concerned Trust; whichever is earlier. Any subsequent recoveries made are recognised in the Statement of profit or loss.

c) Loans

Loan and Debt securities will be written off when they remain overdue continuously for a period more than 3 years and there is no reasonable expectation of recovery from such financial assets. Any subsequent recoveries towards the same will be credited in statement of profit and loss.

2.13.2 Financial liabilities and equity instruments

2.13.2.1 Classification as debt or equity

Debt and equity instruments issued by Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.13.2.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognised at the proceeds received, net of direct issue costs.

2.13.2.3 Financial liabilities

All financial liabilities are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method or at FVTPL when the financial liability is held for trading.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.13.*2.4 Derecognition of financial liabilities*

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.13.3 Offsetting of Financial Assets and Financial Liabilities:

The financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when:

- the Company currently has a legally enforceable right to offset the amounts; and
- it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty

2.14 Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.15 Statement of Cash Flows

The statement of cash flows shows the changes in cash and cash equivalents arising during the year from operating activities, investing activities and financing activities

The cash flows from operating activities are determined by using the indirect method. Net income is therefore adjusted by non-cash items, such as measurement gains or losses, changes in provisions, impairment of property, plant and equipment and intangible assets, as well as changes from receivables and liabilities. In addition, all income and expenses from cash transactions that are attributable to investing or financing activities are eliminated.

The cash flows from investing and financing activities are determined by using the indirect method.

2.16 Foreign Currency Transactions

Foreign currency transactions are recorded at the rate prevailing on the date of transaction. Foreign currency monetary items outstanding as at the Balance Sheet date are restated at the closing rate of exchange. The resulting exchange gain/loss is reflected in the Statement of Profit and Loss.

2.17 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.18 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

2.19 <u>Cash and Cash Equivalents</u>

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.20 <u>Expenses on behalf of the trusts</u>

Pre- Acquisition expenses
Expenses incurred at pre-acquisition stage are recognised as expenses for the period in which such costs are incurred.

Post- Acquisition expenses
Expenses incurred after acquisition of assets on the formation of the trusts like stamp duty and registration charges which are recoverable from the trusts, are written off, if these expenses are not realised within 180 days from the planning period or downgrading of SRs [i.e. Net Asset Value (NAV) is less than 50% of the face value of SRs] whichever is earlier. Any subsequent recoveries made are recognised in profit or loss.

(Rs. In millions)

3. Cash and Cash Equivalents

	Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
I.	Cash on Hand	-	-	0.05
II.	Balances with Banks;			
(a)	In current accounts	257.91	956.79	175.99
(b)	In deposits with maturity of 3 months or less	1,111.17	2,368.04	1,828.28
		1,369.08	**3,324.83**	**2,004.27**
	Total	**1,369.08**	**3,324.83**	**2,004.32**

4. Bank Balance other than Cash and Cash Equivalents

	Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
I.	Bank Balance other than Cash and Cash Equivalents			
(a)	Deposits with maturity greater than 3 months but less than 12 months	972.52	540.90	1,929.16
(b)	Earmarked Balances/Deposits			
	-Deposit held for statutory matters	183.29	170.72	159.83
	-Monies held on behalf of Trusts/other constituents	37.56	35.65	83.23
	-FD against bank guarantee issued on behalf of trusts	24.44	22.84	21.80
	-Deposits for CSR Activities	-	0.37	13.19
	Total	**1,217.81**	**770.48**	**2,207.21**

5. Trade Receivables

	Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(a)	Secured, considered good	-	-	-
(b)	Unsecured, considered good:			
	Billed Revenue	457.27	671.68	483.05
	Unbilled Revenue	363.94	124.83	135.97
		821.21	**796.51**	**619.02**
	Less: Impairment Loss Allowance (ECL)	(100.71)	(66.77)	(52.25)
	Total	**720.50**	**729.74**	**566.77**

Ageing for trade receivables outstanding as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Billed Revenue	265.88	37.41	147.23	0.74	6.01	**457.27**
Unbilled Revenue	267.51	41.60	41.93	2.17	10.73	**363.94**
Total	**533.39**	**79.01**	**189.16**	**2.91**	**16.74**	**821.21**

Ageing for trade receivables outstanding as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Billed Revenue	567.66	97.24	0.77	-	6.01	**671.68**
Unbilled Revenue	110.88	1.05	2.17	2.80	7.93	**124.83**
Total	**678.54**	**98.29**	**2.94**	**2.80**	**13.94**	**796.51**

Ageing for trade receivables outstanding as at March31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Billed Revenue	339.87	64.70	52.91	0.96	24.61	**483.05**
Unbilled Revenue	53.85	21.22	18.97	19.76	22.18	**135.97**
Less: Impairment Loss Allowance (ECL)	-	-	-	-	-	-
Total	**393.72**	**85.92**	**71.88**	**20.72**	**46.79**	**619.02**

Asset Reconstruction Company (India) Limited

Notes to Restated Standalone Financial Statements for the year ended March 31, 2025

6. Investments

(Rs. In millions)

Particulars	As at March 31, 2025			As at March 31, 2024			As at March 31, 2023		
	Amortised Cost	Fair Value through profit or loss	Total	Amortised Cost	Fair Value through profit or loss	Total	Amortised Cost	Fair Value through profit or loss	Total
Investments									
Security Receipts									
-Subsidiaries (Annexure IA)	-	16,812.61	16,812.61	-	11,790.42	11,790.42	-	7,088.70	7,088.70
-Associates (Annexure IA)	-	747.96	747.96	-	501.79	501.79	-	315.83	315.83
-Others (Annexure IA)	-	9,755.65	9,755.65	-	8,330.31	8,330.31	-	10,364.23	10,364.23
Equity Instruments (Annexure IB)	-	-	-	-	1.42	1.42	-	0.86	0.86
Mutual Funds Investments (Annexure IC)		400.29	400.29		-	-		-	-
Total - Gross	**-**	**27,716.51**	**27,716.51**	**-**	**20,623.94**	**20,623.94**	**-**	**17,769.62**	**17,769.62**
Total	**-**	**27,716.51**	**27,716.51**	**-**	**20,623.94**	**20,623.94**	**-**	**17,769.62**	**17,769.62**
(i) Overseas Investments	-	-	-	-	-	-	-	-	-
(ii) Investments in India	-	27,716.51	27,716.51	-	20,623.94	20,623.94	-	17,769.62	17,769.62
Total	**-**	**27,716.51**	**27,716.51**	**-**	**20,623.94**	**20,623.94**	**-**	**17,769.62**	**17,769.62**
Current	-	**7,074.12**	**7,074.12**	-	**11,233.79**	**11,233.79**	-	**5,785.10**	**5,785.10**
Non Current	-	**20,642.39**	**20,642.39**	-	**9,390.15**	**9,390.15**	-	**11,984.52**	**11,984.52**

Annexure I
(A) Investments in Security Receipts :

Sr. No	Trust / Scheme Name	Number of Security Receipts as at March 31, 2025	Number of Security Receipts as at March 31, 2024	Number of Security Receipts as at March 31, 2023	Outstanding Face Value (Rs. Per Unit) as at March 31, 2025	Outstanding Face Value (Rs. Per Unit) as at March 31, 2024	Outstanding Face Value (Rs. Per Unit) as at March 31, 2023	Fair value as at March 31, 2025 (Rs. In millions)	Fair value as at March 31, 2024 (Rs. In millions)	Fair value as at March 31, 2023 (Rs. In millions)
	Investments classified as Subsidiary									
1	Arcil-AST-001-X-Trust	4,73,400.00	4,73,400.00	4,73,400.00	618.34	618.34	1,000.00	19.11	41.16	269.74
2	Arcil-AST-001-XI-Trust	79,300.00	79,300.00	79,300.00	1,000.00	1,000.00	1,000.00	39.65	51.52	36.91
3	Arcil-AST-024-I-Trust *	47,200.00	47,200.00	47,200.00	1,000.00	1,000.00	1,000.00	9.27	7.80	10.55
4	Arcil-AST-026-I-Trust *	1,11,200.00	1,11,200.00	1,11,200.00	932.38	932.38	932.38	13.61	14.02	16.49
5	Arcil-AST-024-II-Trust @	6,50,000.00	6,50,000.00	6,50,000.00	601.05	601.05	817.92	13.91	29.65	204.42
6	Arcil-CPS-041-I-Trust ^ @ *	-	60,000.00	60,000.00	-	1.00	1.00	-	0.02	0.05
7	Arcil-CPS-008-II-Trust ^ @ *	8,25,000.00	8,25,000.00	8,25,000.00	1.00	1.00	1.00	70.57	103.80	0.62
8	Arcil-CPS-II-Trust #	4,33,031.00	4,33,031.00	4,33,031.00	427.17	920.41	1,000.00	184.98	398.57	433.03
9	Arcil-CPS-II-Trust #	87,003.00	87,003.00	87,003.00	1,000.00	1,000.00	1,000.00	70.28	78.30	87.00
10	Arcil-SBPS-042-I-Trust ^ @ *	-	2,43,910.00	2,43,910.00	-	1.00	1.00	-	37.43	36.60
11	Arcil-SBPS-060-I-Trust ^ @	1,25,575.00	1,25,575.00	1,25,575.00	425.60	476.95	657.87	80.17	89.84	123.92
12	Arcil-SBPS-041-I-Trust ^ @ *	2,90,000.00	2,90,000.00	2,90,000.00	1.00	1.00	1.00	86.16	161.93	224.08
13	Arcil- SBPS-006-VII Trust ^ @ *	2,51,500.00	2,51,500.00	2,51,500.00	1.00	293.72	671.08	248.54	351.38	253.16
14	Arcil-Retail Port-044-A-T ^ @ *	-	1,24,100.00	1,24,100.00	-	1.00	1.00	-	65.87	77.18
15	Arcil-Retail Port-048-A-Trust ^ @ *	59,780.00	59,780.00	59,780.00	1.00	1.00	1.00	23.19	27.39	29.79
16	Arcil-Retail Port-042-A-Trust @ *	3,32,500.00	3,32,500.00	3,32,500.00	1.00	1.00	1.00	7.39	29.14	33.36
17	Arcil-Retail Port-032-A-Trust ^ @ *	49,666.00	49,666.00	49,666.00	1.00	1.00	1.00	9.88	9.67	21.10
18	Arcil-Retail Port-049-A-Trust @ *	46,800.00	46,800.00	46,800.00	1.00	1.00	1.00	-	-	17.58
19	Arcil Retail Loan Portfolio-045-B-Trust ^ @ *	3,77,600.00	3,77,600.00	3,77,600.00	114.02	124.84	250.87	64.58	70.71	142.09
20	Arcil Retail Loan Portfolio-042-B-Trust ^ @ *	2,05,728.00	2,05,728.00	2,05,728.00	1.00	107.47	256.08	42.80	69.15	79.02
21	Arcil Retail Loan Portfolio-053-A-Trust @ *	2,62,814.00	2,62,814.00	2,62,814.00	649.46	665.32	760.86	85.34	131.14	199.97
22	Arcil-Retail Loan Portfolio-058-B-Trust ^ # *	6,16,547.00	6,16,547.00	6,16,547.00	152.73	238.26	366.06	141.25	220.35	338.54
23	Arcil-Retail Loan Portfolio-060-A-Trust ^ @ *	1,42,500.00	1,42,500.00	1,42,500.00	93.53	164.83	443.07	71.42	35.23	94.71
24	Arcil-Retail Loan Portfolio-061-A-Trust ^ @ *	1,53,421.00	1,53,421.00	1,53,421.00	336.62	421.57	503.68	25.82	48.51	115.91
25	Arcil-Retail Loan Portfolio-058-C-Trust ^ @ *	2,11,375.00	2,11,375.00	2,11,375.00	1.00	31.82	246.28	115.46	122.47	163.27
26	Arcil-Retail Loan Portfolio-42-D-Trust ^ *	2,40,854.00	2,40,854.00	2,40,854.00	78.59	300.35	495.48	28.39	108.51	179.01
27	Arcil-Retail Loan Portfolio-042-E-Trust ^ @ *	2,69,051.00	2,69,051.00	2,69,051.00	130.24	293.25	604.62	55.92	118.35	244.01
28	Arcil-Retail Loan Portfolio-042-F-Trust ^ @ *	2,19,769.00	2,19,769.00	2,19,769.00	829.49	875.29	928.78	182.30	192.36	306.18
29	Arcil-Retail Loan Portfolio-042-I-Trust ^ @ *	32,694.00	32,694.00	32,694.00	749.65	821.09	946.26	24.51	26.84	46.41
30	Arcil-Retail Loan Portfolio-042-H-Trust ^ @ *	97,252.00	97,252.00	97,252.00	693.58	762.11	881.99	67.45	74.12	128.66
31	Arcil-Retail Loan Portfolio-042-G-Trust ^ @ *	2,26,915.00	2,26,915.00	2,26,915.00	702.40	828.61	901.04	159.39	188.02	306.69
32	Arcil-Retail Loan Portfolio-029-B-Trust ^ @	3,42,648.00	3,42,648.00	3,42,648.00	457.06	688.74	865.90	234.92	353.99	445.05
33	Arcil-Retail Loan Portfolio-074-A-Trust ^ @	1,99,971.00	1,99,971.00	1,99,971.00	138.80	290.77	807.52	353.80	87.22	242.22
34	Arcil-SBPS-I-Trust ^ @	7,79,500.00	7,79,500.00	7,79,500.00	420.48	696.78	997.56	245.82	814.71	1,006.91
35	Arcil-SBPS 073-I Trust ^ @	5,42,000.00	5,42,000.00	5,42,000.00	1.00	440.06	943.29	427.05	357.77	766.89
36	Arcil-Retail Loan Portfolio-074-B-Trust ^ #	1,33,375.00	1,33,375.00	1,33,375.00	219.63	386.57	650.97	96.50	77.34	130.23
37	Arcil-Retail Loan Portfolio-045-C-Trust ^ @	1,37,500.00	1,37,500.00	1,37,500.00	633.48	728.95	838.58	130.66	142.96	115.30
38	Arcil-AST-001-XVIII-Trust ^ #	1,45,962.00	1,45,962.00	1,45,962.00	195.41	1,000.00	1,000.00	42.78	161.74	145.96
39	Arcil-AST-001-XVIII-Trust #	16,086.00	16,086.00	16,086.00	1,000.00	1,000.00	1,000.00	24.13	22.54	16.09
40	Arcil-AST-003-VIII-Trust #	1,18,349.00	1,18,349.00	-	167.38	1,000.00	-	29.20	135.38	-
41	Arcil-AST-003-VIII-Trust #	13,043.00	13,043.00	-	1,000.00	1,000.00	-	17.40	19.09	-
42	Arcil-AST-RA-001 Trust	3,00,000.00	3,00,000.00	-	805.51	1,000.00	-	181.24	225.00	-
43	Arcil-AST-030-II-Trust	9,338.00	9,338.00	-	231.73	1,000.00	-	2.02	8.76	-
44	Arcil-AST-030-II-Trust	1,030.00	1,030.00	-	1,000.00	1,000.00	-	1.23	1.49	-
45	Arcil-AST-090-I-Trust #	-	12,50,000.00	-	-	1,000.00	-	-	1,510.45	-
46	Arcil-CPS-IV-Trust #	14,43,558.00	14,43,558.00	-	362.19	362.19	-	477.02	685.50	-
47	Arcil-CPS-IV-Trust #	3,06,442.00	3,06,442.00	-	1,000.00	1,000.00	-	279.58	298.08	-
48	Arcil-Retail Loan Portfolio-092-A-Trust #	4,72,748.00	4,72,748.00	-	231.16	280.97	-	100.61	166.87	-
49	Arcil-Retail Loan Portfolio-092-A-Trust #	1,06,368.00	1,06,368.00	-	1,000.00	1,000.00	-	97.93	114.94	-
50	Arcil-2024C-001 -Trust #	1,49,486.00	1,49,486.00	-	541.58	759.56	-	121.44	113.54	-
51	Arcil-2024C-003 -Trust	14,93,029.00	14,93,029.00	-	710.55	966.05	-	1,591.31	1,442.34	-
52	Arcil-2024C-004 -Trust	14,02,991.00	14,02,991.00	-	657.89	984.74	-	1,384.52	1,381.58	-
53	Arcil-2024C-005 -Trust #	1,35,232.00	1,35,232.00	-	862.27	945.73	-	174.91	127.89	-
54	Arcil-2024C-007-Trust #	5,41,000.00	5,40,900.00	-	957.70	1,000.00	-	638.32	540.90	-
55	Arcil-2024C-006 -Trust @	97,070.00	97,070.00	-	975.79	1,000.00	-	142.08	97.07	-
56	Arcil-Trust-2025C-001	1,92,792.00	-	-	1,000.00	-	-	271.16	-	-
57	Arcil-Trust-2025C-005 @	9,70,000.00	-	-	1,000.00	-	-	1,300.67	-	-
58	Arcil-Trust-2025C-003 @	33,645.00	-	-	773.38	-	-	39.03	-	-
59	Arcil-Trust-2025C-004 @	2,50,400.00	-	-	780.19	-	-	293.04	-	-
60	Arcil-Trust-2025C-006 @	1,13,440.00	-	-	930.39	-	-	158.32	-	-
61	Arcil-Trust-2025C-007	1,35,000.00	-	-	1,000.00	-	-	194.93	-	-
62	Arcil-Trust-2025C-008	3,05,300.00	-	-	1,000.00	-	-	378.66	-	-
63	Arcil-Trust-2025C-010	1,17,500.00	-	-	1,000.00	-	-	176.25	-	-
64	Arcil-Trust-2025C-009	1,16,800.00	-	-	899.72	-	-	157.63	-	-
65	Arcil-Trust-2025C-012	2,73,803.00	-	-	910.30	-	-	292.36	-	-
66	Arcil-Trust-2025-008	7,01,050.00	-	-	938.92	-	-	585.63	-	-
67	Arcil-Trust-2025-008	1,95,293.00	-	-	1,000.00	-	-	173.75	-	-
68	Arcil-Trust-2025-005	2,86,000.00	-	-	422.23	-	-	109.21	-	-
69	Arcil-Trust-2025-005	54,600.00	-	-	1,000.00	-	-	49.38	-	-
70	Arcil-Trust-2025C-015	2,95,955.00	-	-	1,000.00	-	-	295.96	-	-
71	Arcil-Trust-2025C-013	12,00,000.00	-	-	596.18	-	-	715.42	-	-
72	Arcil-Trust-2025C-011	63,200.00	-	-	951.48	-	-	87.89	-	-
73	Arcil-Trust-2025C-014	92,500.00	-	-	1,000.00	-	-	92.50	-	-
74	Arcil-Trust-2025-015	6,52,953.00	-	-	983.78	-	-	642.36	-	-
75	Arcil-Trust-2025-015	94,102.00	-	-	1,000.00	-	-	94.10	-	-
76	Arcil-Trust-2025-016	3,88,885.00	-	-	652.73	-	-	253.84	-	-
77	Arcil-Trust-2025-016	1,08,333.00	-	-	1,000.00	-	-	108.33	-	-
78	Arcil-Trust-2025C-016	78,600.00	-	-	937.80	-	-	73.71	-	-
79	Arcil-Trust-2025C-019	1,50,000.00	-	-	1,000.00	-	-	150.00	-	-
80	Arcil-Trust-2025C-018	11,00,000.00	-	-	1,000.00	-	-	1,100.00	-	-
81	Arcil-Trust-2025-010	1,37,040.00	-	-	1,000.00	-	-	137.04	-	-
82	Arcil-Trust-2025-010	30,834.00	-	-	1,000.00	-	-	30.83	-	-
83	Arcil-Trust-2025C-017	1,14,800.00	-	-	1,000.00	-	-	114.80	-	-
	Sub Total (I)							**16,812.61**	**11,790.42**	**7,088.70**

	Investments classified as Associate									
84	Arcil-AST-001-VII-Trust	-	35,100.00	35,100.00	-	408.41	465.57	-	10.75	12.26
85	Arcil-AST-003-IV-Trust	1,00,000.00	1,00,000.00	1,00,000.00	203.20	799.79	832.07	0.05	39.99	41.60
86	Arcil-SBPS-022-IV Trust ^ @ *	-	1,04,000.00	1,04,000.00	-	225.23	444.62	-	0.00	19.69
87	Arcil-Retail Port-046-A-T ^ @ *	-	59,010.00	59,010.00	-	1.00	1.00	-	21.02	27.08
88	Arcil-Retail Loan Portfolio-022-A-Trust *	76,946.00	76,946.00	76,946.00	200.70	253.10	329.35	4.22	9.74	14.43
89	Arcil-CPS-081-I-Trust ^ @	1,83,900.00	1,83,900.00	1,83,900.00	727.73	762.89	1,000.00	133.83	140.30	183.90
90	ARCIL-TRUST-2024-001	2,80,000.00	2,80,000.00	-	986.98	1,000.00	-	207.26	280.00	-
91	Arcil-Trust-2025-013	72,620.00	-	-	1,000.00	-	-	72.62	-	-
92	Arcil-Trust-2025-012	2,46,275.00	-	-	1,000.00	-	-	246.28	-	-
93	Arcil-Trust-2025-018	83,700.00	-	-	1,000.00	-	-	83.70	-	-
94	Arcil-SBPS-022-III-Trust *			40,000.00		1.00	1,000.00	-	-	16.87
	Sub Total (II)							**747.96**	**501.79**	**315.83**
	Investment classified as Others									
94	Arcil-AST-002-IV-Trust @	4,81,135.00	4,81,135.00	4,81,135.00	647.78	858.94	983.39	233.75	309.95	354.86
95	Arcil-AST-007-II-Trust *	-	30,045.00	30,045.00	-	1.00	1.00	-	-	2.33
96	Arcil- AST-005-I-Trust	-	90,255.00	90,255.00	-	757.60	853.12	-	-	5.36
97	Arcil-AST-032-I-Trust	-	19,110.00	19,110.00	-	569.12	601.80	-	5.44	8.63
98	Arcil-AST-004-I Trust *	-	19,725.00	19,725.00	-	460.47	502.08	-	4.54	7.43
99	Arcil-AST-043-I-Trust	-	62,505.00	62,505.00	-	823.58	901.74	-	-	2.63
100	Arcil-AST-003-II Trust	-	1,61,550.00	1,61,550.00	-	142.76	197.66	-	-	7.98
101	Arcil-AST-015-I-Trust	-	23,640.00	23,640.00	-	465.00	514.45	-	8.24	9.12
102	Arcil-AST-043-II-Trust	19,515.00	19,515.00	19,515.00	564.90	564.90	1,000.00	-	2.00	12.98
103	Arcil-AST-043-III-Trust	-	18,015.00	18,015.00	-	670.38	722.72	-	9.06	9.76
104	Arcil-AST-017-III-Trust	47,250.00	47,250.00	47,250.00	1,000.00	1,000.00	1,000.00	23.63	23.63	23.63
105	Arcil-AST-034-I-Trust *	-	16,545.00	16,545.00	-	741.83	784.68	-	8.51	9.74
106	Arcil-AST-001-XIII-Trust @ *	-	70,500.00	70,500.00	-	1.00	1,000.00	-	-	70.50
107	Arcil-AST-031-II-Trust *	-	34,500.00	34,500.00	-	110.73	1,000.00	-	-	34.28
108	Arcil-AST-027-II-Trust @ *	-	11,250.00	11,250.00	-	258.17	1,000.00	-	-	10.44
109	Arcil-AST-001-XIV-Trust ^ @ *	96,000.00	96,000.00	96,000.00	1.00	1.00	446.89	2.02	70.04	64.35
110	Arcil-AST-008-I-Trust *	-	25,502.00	25,502.00	-	1.00	951.25	-	-	36.39
111	Arcil-AST-026-II-Trust ^ @	36,345.00	36,345.00	36,345.00	1.00	245.44	687.23	1.62	27.07	37.47
112	Arcil-AST-063-I-Trust ^ @ *	59,985.00	59,985.00	59,985.00	1,000.00	1,000.00	1,000.00	59.99	66.97	73.11
113	Arcil-AST-063-II-Trust ^ @ *	97,515.00	97,515.00	97,515.00	1,000.00	1,000.00	1,000.00	97.52	108.85	118.88
114	Arcil-AST-IX Trust ^ # *	13,51,500.00	13,51,500.00	13,51,500.00	334.04	896.96	986.10	406.45	1,212.24	1,332.71
115	Arcil-AST-032-II-Trust @ *	-	45,814.00	45,814.00	-	1.00	851.42	-	-	39.01
116	Arcil-AST 023-VI Trust ^ *	84,975.00	84,975.00	84,975.00	510.48	685.15	852.65	100.23	104.22	108.68
117	Arcil-AST-071-I-Trust	9,750.00	9,750.00	9,750.00	1.00	224.96	670.69	0.75	3.29	9.81
118	Arcil-AST-072-I-Trust ^ *	1,71,300.00	1,71,300.00	1,71,300.00	517.18	688.49	853.47	200.06	208.01	219.30
119	Arcil-AST-080-III-Trust	-	2,25,000.00	2,25,000.00	-	3.34	1,000.00	-	-	224.10
120	Arcil-CPS-015-II-Trust @ *	45,000.00	45,000.00	45,000.00	394.89	394.89	818.81	4.44	0.00	22.63
121	Arcil-CPS-018-I-Trust	1,24,635.00	1,24,635.00	1,24,635.00	347.23	347.23	347.23	-	3.84	2.45
122	Arcil-CPS-062-I-Trust	9,15,000.00	9,15,000.00	9,15,000.00	819.72	941.71	941.71	550.28	414.52	646.25
123	Arcil-CPS-I Trust ^ *	10,24,500.00	10,24,500.00	10,24,500.00	293.50	672.44	744.03	300.69	662.53	603.30
124	Arcil-CPS-065-I-Trust ^ @	16,50,000.00	16,50,000.00	16,50,000.00	947.07	987.66	1,000.00	1,356.23	1,702.45	1,650.00
125	Arcil-SBPS-008-II-Trust ^ @ *	3,39,480.00	3,39,480.00	3,39,480.00	732.58	732.58	868.13	183.99	192.60	229.25
126	Arcil-SBPS-008-III-Trust ^ *	5,14,905.00	5,14,905.00	5,14,905.00	577.80	642.58	807.53	253.55	288.14	355.26
127	Arcil-SBPS-049-I-Trust ^ *	1,47,000.00	1,47,000.00	1,47,000.00	140.85	140.85	275.20	20.27	20.35	35.26
128	Arcil-Retail Port-045-A-T ^ @ *	-	53,085.00	53,085.00	-	90.90	213.97	-	7.24	17.04
129	Arcil-Retail Port-047-A-T @ *	-	29,100.00	29,100.00	-	153.85	207.61	-	4.48	6.04
130	Arcil-Retail Port-047-B-Trust @	33,845.00	33,845.00	33,845.00	1.00	1.00	1.00	1.62	1.62	1.89
131	Arcil Retail Loan Portfolio-058-A-Trust ^ @ *	69,094.00	69,094.00	69,094.00	221.16	326.95	513.66	15.28	22.59	46.73
132	Arcil-Retail Loan Portfolio-042-C-Trust ^ @ *	17,566.00	17,566.00	17,566.00	344.06	389.06	536.43	6.04	6.83	13.23
133	Arcil-Retail Loan Portfolio-059-A-Trust ^ @ *	8,341.00	8,341.00	8,341.00	254.65	589.54	779.37	2.12	4.92	6.50
134	Arcil-Retail Loan Portfolio-017-B-Trust	34,275.00	34,275.00	34,275.00	1.00	363.61	617.27	0.03	12.46	21.16
135	Arcil-AST-026-III-Trust *	2,25,000.00	2,25,000.00	2,25,000.00	565.88	735.00	897.29	259.79	270.02	290.54
136	Arcil-SBPS-008-IV-Trust *	1,02,000.00	1,02,000.00	1,02,000.00	818.00	818.00	983.59	57.81	56.33	78.76
137	Arcil-Retail Loan Portfolio-073-A-Trust #	49,778.00	49,778.00	49,778.00	1.00	1.00	157.76	18.08	22.29	11.78
138	Arcil-Retail Loan Portfolio-073-B-Trust ^ @ *	46,742.00	46,742.00	46,742.00	1.00	1.00	404.00	11.56	21.29	28.33
139	Arcil-Retail Loan Portfolio-077-A-Trust ^ @ *	56,566.00	56,566.00	56,566.00	198.31	347.87	608.56	10.81	17.97	31.36
140	Arcil-Retail Loan Portfolio-078-A-Trust ^	5,17,447.00	5,17,447.00	5,17,447.00	633.74	680.78	787.79	308.02	343.65	353.65
141	Arcil-Retail Loan Portfolio-078-B-Trust ^	2,88,182.00	2,88,182.00	2,88,182.00	790.17	813.73	940.67	170.78	175.88	242.05
142	Arcil-AST-080-II-Trust - Class B *	-	1,11,927.00	1,11,927.00	-	27.65	1,000.00	-	-	108.77
143	Arcil-AST-080-I-Trust - Class A #	-	80,767.00	80,767.00	-	849.10	1,000.00	-	65.26	80.76
144	Arcil-AST-080-I-Trust - Class B #	-	39,781.00	39,781.00	-	1,000.00	1,000.00	-	59.67	37.28
145	Arcil-AST-001-XVI-Trust @	40,600.00	40,600.00	40,600.00	669.24	837.15	1,000.00	40.76	48.57	52.32
146	Arcil-AST-004-III-Trust ^ #	60,701.00	60,701.00	60,701.00	670.60	837.43	1,000.00	61.06	71.39	77.67
147	Arcil-AST-085-I Trust #	74,642.00	74,642.00	74,642.00	1,000.00	1,000.00	1,000.00	74.64	74.64	74.64
148	Arcil-CPS-III Trust #	10,53,000.00	10,53,000.00	10,53,000.00	1,000.00	1,000.00	1,000.00	1,053.00	1,053.00	1,053.00
149	Arcil-Retail Loan Portfolio-078-C-Trust @	4,00,755.00	4,00,755.00	4,00,755.00	693.09	763.26	1,000.00	208.32	305.88	400.76
150	Arcil-Retail Loan Portfolio-087-A-Trust ^ #	41,158.00	41,158.00	41,158.00	556.84	800.72	1,000.00	20.63	32.08	41.16
151	Arcil-Retail Loan Portfolio-086-A-Trust ^ #	46,978.00	46,978.00	46,978.00	690.50	802.14	1,000.00	29.45	32.07	46.98
152	Arcil-Retail Loan Portfolio-077-B-Trust	19,917.00	19,917.00	19,917.00	139.04	403.66	1,000.00	2.89	7.31	19.92
153	Arcil-AST-089-I-Trust	10,027.00	10,027.00	-	828.22	975.30	-	9.15	10.19	-
154	Arcil-Retail Loan Portfolio-091-A-Trust #	10,51,199.00	10,51,199.00	-	1.00	234.22	-	1.04	240.48	-
155	Arcil-2024C-002 Trust	3,000.00	3,000.00	-	1,000.00	1,000.00	-	3.00	3.00	-
156	Arcil-AST-088-I-Trust #	1,17,184.00	1,14,515.00	-	487.35	1,000.00	-	85.66	114.52	-
157	Arcil-AST-088-I-Trust #	35,156.00	34,355.00	-	1,000.00	1,000.00	-	35.16	34.36	-
158	Arcil-Trust-2025C-002	3,263.00	-	-	1,000.00	-	-	-	-	-
159	Arcil-Trust-2025-001	1,27,500.00	-	-	1,000.00	-	-	113.44	-	-
160	Arcil-Trust-2025-002	44,295.00	-	-	849.72	-	-	33.63	-	-
161	Arcil-Trust-2025-003 @	93,630.00	-	-	1,000.00	-	-	91.37	-	-
162	Arcil-Trust-2025-007	20,25,000.00	-	-	956.42	-	-	1,633.18	-	-
163	Arcil-Trust-2025-004	32,235.00	-	-	795.57	-	-	26.65	-	-
164	Arcil-Trust-2025-006	3,54,000.00	-	-	772.87	-	-	226.46	-	-
165	Arcil-Trust-2025-009	12,49,857.00	-	-	1,000.00	-	-	1,249.86	-	-
166	Arcil-Trust-2025-014	27,435.00	-	-	1,000.00	-	-	27.44	-	-
167	Arcil-Trust-2025-011	16,965.00	-	-	1,000.00	-	-	16.97	-	-
168	Arcil-Trust-2025-017	54,480.00	-	-	1,000.00	-	-	54.48	-	-
169	Arcil-AST-023-I-Trust @ $ *	-	-	92,550.00	-	-	1.00	-	-	7.84
170	Arcil-CPS-006-V-Trust @ $ *	-	-	48,750.00	-	-	366.38	-	-	8.93
171	Arcil-AST-002-V-Trust - Class A # $	-	-	1,15,500.00	-	-	696.97	-	-	80.50
172	Arcil-AST-002-V-Trust - Class B # $	-	-	43,560.00	-	-	1,000.00	-	-	41.72
173	Arcil-AST 023-V Trust - Class A	-	-	1,20,000.00	-	-	697.61	-	-	83.71
174	Arcil-AST 023-V Trust - Class B # $	-	-	75,000.00	-	-	1,000.00	-	-	71.83
175	Arcil-AST-051-II-Trust - Class A # $	-	-	79,412.00	-	-	584.88	-	-	59.98
176	Arcil-AST-051-II-Trust - Class B # $ *	-	-	1,37,819.00	-	-	1,000.00	-	-	132.75
177	Arcil-AST-080-II-Trust - Class A # $	-	-	91,576.00	-	-	1,000.00	-	-	91.51
178	Arcil-AST-026-IV-Trust - Class A #	-	-	60,000.00	-	-	697.80	-	-	44.18
179	Arcil-AST-026-IV-Trust - Class B #	-	-	61,500.00	-	-	1,000.00	-	-	55.66
180	Arcil-AST-011-III-Trust - Class A #	-	-	39,000.00	-	-	707.79	-	-	30.25
181	Arcil-AST-011-III-Trust - Class B #	-	-	39,450.00	-	-	1,000.00	-	-	36.47
182	Arcil-AST-004-II Trust - Class A	-	-	65,250.00	-	-	726.89	-	-	47.43
183	Arcil-AST-004-II Trust - Class B	-	-	53,505.00	-	-	1,000.00	-	-	51.27
	Less : Provision							-	-246.17	-
	Sub Total (III)							**9,755.65**	**8,330.31**	**10,364.23**
	Total (IV)=(I + II + III)	-	-	-			-	**27,316.23**	**20,622.52**	**17,768.76**

@ - Pledged Fully as on March 31, 2025
# - Pledged partially as on March 31, 2025
^ - Pledged Fully as on March 31, 2024
$ - Pledged partially as on March 31, 2024
* - Pledged Fully as on March 31, 2023
> - Pledged partially as on March 31, 2023

Asset Reconstruction Company (India) Limited
Notes to Restated Standalone Financial Statements for the year ended March 31, 2025

Annexure I

	(B) Investments in Equity shares (Fair Value through Profit and Loss account)	Number of Shares as at March 31, 2025	Number of Shares as at March 31, 2024	Number of Shares as at March 31, 2023	Outstanding Face Value (Rs. per unit) as at March 31, 2025	Outstanding Face Value (Rs. per unit) as at March 31, 2024	Outstanding Face Value (Rs. per unit) as at March 31, 2023	Fair Value as at March 31, 2025 (Rs. In millions)	Fair Value as at March 31, 2024 (Rs. In millions)	Fair Value as at March 31, 2023 (Rs. In millions)
	Quoted :									
1	BPL Ltd	-	16,153	16,153	-	10.00	10.00	-	1.42	0.86
	Unquoted :									
1	OCM (net of impairment of Rs. 14.46 millions (previous year Rs. 14.46 millions))	1,09,746	1,09,746	1,09,746	10.00	10.00	10.00	-	-	-
	Total (B)	**1,09,746**	**1,25,899**	**1,25,899**				**-**	**1.42**	**0.86**

(C) Investments in Mutual Fund (Fair Value through Profit and Loss account)		Number of Units as at March 31, 2025	Number of Units as at March 31, 2024	Number of Units as at March 31, 2023	Outstanding Face Value (Rs. per unit) as at March 31, 2025	Outstanding Face Value (Rs. per unit) as at March 31, 2024	Outstanding Face Value (Rs. per unit) as at March 31, 2023	Fair Value as at March 31, 2025 (Rs. In millions)	Fair Value as at March 31, 2024 (Rs. In millions)	Fair Value as at March 31, 2023 (Rs. In millions)
	Quoted :									
1	SBI Overnight Fund - Growth	97,627.47	-	-	-	-		400.29	-	-
	Total (C)	**97,627.47**						**400.29**	**-**	**-**
	Total Investments (A+B+C)							**27,716.51**	**20,623.94**	**17,769.62**

(Rs. In millions)

7. Other Financial Assets

	Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
		Amortised Cost	**Amortised Cost**	**Amortised Cost**
i)	Deposits- Considered Good	116.40	65.40	16.64
ii)	Amount Recoverable from Trusts and Others	142.52	120.81	140.78
	Less: Impairment Loss Allowance (ECL)	(16.83)	(11.84)	(2.46)
		125.69	108.97	138.32
	Total	**242.09**	**174.37**	**154.96**

8. Deferred Tax Assets / (Liability) (Net)

	Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Deferred Tax Asset				
i)	Expenses provided but allowable in Income Tax on payment basis	8.37	8.82	4.90
ii)	Provision for diminution in value of investments	0.36	0.22	0.35
iii)	Provision for litigations	59.12	59.12	59.12
iv)	Expected Credit Loss	29.58	19.78	13.77
Sub Total		**97.43**	**87.94**	**78.14**
Deferred Tax Liability				
i)	Difference between book depreciation & tax depreciation	50.02	48.73	46.52
ii)	Financial Assets at FVTPL (Net)	503.95	145.45	213.26
Sub Total		**553.98**	**194.18**	**259.78**
Total		**(456.55)**	**(106.24)**	**(181.64)**

Asset Reconstruction Company (India) Limited

Notes to Restated Standalone Financial Statements for the year ended March 31, 2025

9. Property, Plant and Equipment

(Rs. In millions)

Particulars	As at March 31,2025							
	Office Building	Furniture and Fittings	Office Equipments	Vehicles	Computers	Leasehold Improvements	Right to use Leasehold Assets-Office Premises	Total
Cost								
Balance at 31 March 2022	396.22	4.38	10.61	9.34	23.34	4.85	22.61	**471.35**
Additions	-	0.11	0.84	-	6.30	-	7.93	**15.18**
Disposals/ Adjustments	(3.45)	(0.00)	(0.09)	(2.51)	(0.69)	-	(6.06)	**(12.80)**
Balance at 31 March 2023	**392.77**	**4.49**	**11.36**	**6.83**	**28.94**	**4.85**	**24.48**	**473.73**
Additions	-	0.03	0.68	4.95	2.62	-	3.62	**11.90**
Disposals/ Adjustments	-	-	(0.17)	(3.44)	(1.51)	-	(1.95)	**(7.07)**
Balance at 31 March 2024	**392.77**	**4.51**	**11.86**	**8.34**	**30.06**	**4.85**	**26.15**	**478.56**
Additions	-	0.72	0.44	-	3.59	-	2.12	**6.86**
Disposals/ Adjustments	-	- 0.23	- 0.60	- 2.89	- 0.80	-	- 11.97	**(16.48)**
Balance at 31 March 2025 (A)	**392.77**	**5.01**	**11.70**	**5.45**	**32.84**	**4.85**	**16.30**	**468.94**
Accumulated Depreciation and Impairment								
Balance at 31 March 2022	36.82	3.64	9.16	6.09	18.29	0.42	7.60	**82.02**
Depreciation for the period	6.53	0.37	1.10	1.26	5.03	0.16	6.24	**20.69**
Disposals	0.38	0.00	(0.08)	(1.94)	(0.65)	-	(5.11)	**(7.40)**
Balance at 31 March 2023	**43.73**	**4.01**	**10.18**	**5.41**	**22.67**	**0.58**	**8.73**	**95.31**
Depreciation for the period	7.30	0.21	0.65	0.87	3.50	0.08	5.80	**18.41**
Disposals	-	-	(0.17)	(2.55)	(1.49)	-	(0.92)	**(5.13)**
Balance at 31 March 2024	**51.03**	**4.22**	**10.66**	**3.73**	**24.68**	**0.66**	**13.61**	**108.59**
Depreciation for the period	7.30	0.33	0.45	0.99	3.92	0.08	5.82	**18.89**
Disposals/ Adjustments	-	(0.22)	(0.60)	(2.89)	(0.78)	-	(8.66)	**(13.15)**
Balance at 31 March 2025 (B)	**58.33**	**4.33**	**10.51**	**1.83**	**27.82**	**0.74**	**10.77**	**114.33**
Carrying Amount								
Balance at 31 March 2023	**349.03**	**0.48**	**1.17**	**1.43**	**6.28**	**4.27**	**15.75**	**378.42**
Balance at 31 March 2024	**341.73**	**0.30**	**1.20**	**4.61**	**5.38**	**4.19**	**12.54**	**369.97**
Balance at 31 March 2025 (A-B)	**334.43**	**0.68**	**1.19**	**3.62**	**5.03**	**4.10**	**5.53**	**354.61**

(Rs. In millions)

10. Other Intangible Assets

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Computer Software			
At cost, beginning of the year	19.89	17.13	16.12
-Additions	36.96	2.76	1.01
-Disposals	-	-	-
Total Cost (A)	**56.85**	**19.89**	**17.13**
Accumulated amortization and Impairment:			
At beginning of the year	16.70	15.80	15.07
-Amortization	2.66	0.90	0.73
-Disposals	-	-	-
Total amortization and impairment (B)	**19.36**	**16.70**	**15.80**
Net Carrying amount (A-B)	**37.49**	**3.19**	**1.33**

11. Intangible Assets Under Development

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Projects in progress (Refer note 47)	6.76	33.00	-
Total	**6.76**	**33.00**	**-**

12. Other non-financial assets

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Balances with Government Authorities (Refer 45 Note -1)	561.04	561.04	561.04
GST (Input) Credit Receivable	10.49	9.56	7.01
Capital Advances	-	-	0.08
Deferred Rent Expenses	-	-	
Prepaid Expenses	26.73	17.18	15.32
Other Advances	19.17	17.13	10.86
Total	**617.43**	**604.91**	**594.31**

13. Payables

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Payables			
(I) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	3.41	2.00	0.17
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	15.13	12.23	3.23
Total	**18.54**	**14.23**	**3.40**

Dues to micro enterprises and small enterprises have been determined to the extent such parties have been identified on the basis of information collected. There is no interest payable to any supplier under the Micro, Small and Medium Enterprises Development Act, 2006.

Ageing for trade payables outstanding as at March 31, 2025

	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i)	MSME	3.41	-	-	-	**3.41**
ii)	Others	15.13	-	-	-	**15.13**
	Total	**18.54**	**-**	**-**	**-**	**18.54**

Ageing for trade payables outstanding as at March 31, 2024

	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i)	MSME	2.00	-	-	-	**2.00**
ii)	Others	11.87	-	-	0.36	**12.23**
	Total	**13.87**	**-**	**-**	**0.36**	**14.23**

Ageing for trade payables outstanding as at March 31, 2023

	Particulars	Outstanding for following periods from due date of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i)	MSME	0.17	-	-	-	**0.17**
ii)	Others	2.90	-	0.04	0.29	**3.23**
	Total	**3.07**	**-**	**0.04**	**0.29**	**3.40**

(Rs. In millions)

14. Borrowings (Other than Debt Securities)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	Amortised Cost	Amortised Cost	Amortised Cost
(a) Term Loans			
from banks*	1,000.00	500.00	-
(b) Working Capital Term Loans			
from banks*	2,059.29	999.47	1,180.00
(c) Loans repayable on demand			
from banks*	-	-	-
(d) Interest accrued but not due	0.57	-	0.13
Total	**3,059.86**	**1,499.47**	**1,180.13**
Borrowings in India	3,059.86	1,499.47	1,180.13
Borrowings outside India	-	-	-
Total	**3,059.86**	**1,499.47**	**1,180.13**

*The rate of interest of above loans are linked with MCLR and Repo rate and subject to change from time to time, it ranges from 8.50% - 10% p.a. Other facilities from banks in the nature of working capital and cash credit facilities are secured by way of pledge of certain identified security receipts.(Refer Note no.6 -Annexure IA). Term loan is repayable in 16 quaterly installments after an intial moratorium period of 1 year.

15. Other Financial Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Recovery towards contingencies	41.22	48.13	97.08
Others			
- Liability for expenses	60.25	71.35	52.75
- Liability for leases	6.27	13.88	17.37
- Liability for Unspent CSR	-	20.26	18.04
Other Liabilities	190.26	967.93	323.82
Total	**298.00**	**1,121.55**	**509.06**

16. Provisions

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits	186.63	169.84	200.18
Others	234.90	234.90	234.90
Total	**421.53**	**404.74**	**435.08**

17. Other Non Financial Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Income received in advance	507.14	45.43	390.31
Statutory dues	198.56	136.59	140.91
Total	**705.70**	**182.02**	**531.22**

18. Equity Share Capital

(Rs. In millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(a) Authorised Capital 500,000,000 equity shares of Rs. 10/- each (Previous Year 500,000,000 equity shares of Rs. 10/- each)	5,000.00	5,000.00	5,000.00
(b) Issued, Subscribed & Paid up 324,897,140 equity shares of Rs. 10/- each, fully paid up (Previous year 324,897,140 equity shares of Rs. 10/- each, fully paid up	3,248.97	3,248.97	3,248.97

(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**32,48,97,140**	**32,48,97,140**	**32,48,97,140**
Issued during the year	-	-	-
Reductions during the year	-	-	-
Balance at the end of the year	**32,48,97,140**	**32,48,97,140**	**32,48,97,140**

(d) Rights, preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the Annual General Meeting. In the 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 shareholding.

(e) Detail of shareholders holding 5 percent or more

Particulars	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
Name of Shareholder	**No. of Shares held**	**% of holding**	**No. of Shares held**	**% of holding**	**No. of Shares held**	**% of holding**
Avenue India Resurgence Pte. Ltd.	22,65,66,265	69.73%	22,65,66,265	69.73%	22,65,66,265	69.73%
State Bank of India	6,48,16,980	19.95%	6,48,16,980	19.95%	6,48,16,980	19.95%
Lathe Investment Pte Ltd.	1,62,44,858	5.00%	1,62,44,858	5.00%	1,62,44,858	5.00%

f) Disclosure of Shareholding of Promoters

Particulars	As at March 31, 2025		As at March 31, 2024		% change in holding during the year	As at March 31, 2023		% change in holding during the year
Name of Shareholder	**No. of Shares held**	**% of holding**	**No. of Shares held**	**% of holding**		**No. of Shares held**	**% of holding**	
Avenue India Resurgence Pte. Ltd.	22,65,66,265	69.73%	22,65,66,265	69.73%	0.00%	22,65,66,265	69.73%	0.00%
State Bank of India	6,48,16,980	19.95%	6,48,16,980	19.95%	0.00%	6,48,16,980	19.95%	0.00%

18A Other Equity

(Rs. In millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Securities Premium (Refer I below)	9,094.25	9,094.25	9,094.25
General Reserve (Refer II below)	612.99	94.53	94.53
Impairment Reserve (Refer III below)	83.39	83.39	83.39
Contingency Reserve (Refer IV below)	-	518.46	518.46
Retained Earnings (Refer V below)	14,675.46	11,609.62	9,368.45
Other Comprehensive Income (Refer VI below)	(37.08)	(24.11)	(10.62)
Total	**24,429.01**	**21,376.14**	**19,148.46**

I. **Securities Premium:** It is the additional amount which the shareholder had paid more than the face value of issued shares. The securities premium can be utilised as per the provisions of Companies Act, 2013.

II. **General Reserve**: It can be utilised from time to time to transfer profit from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of Other Comprehensive Income, items included in general reserve will not be reclassified subsequently to profit

III. **Impairment Reserve:** Impairment allowance reserve represents reserve created in accordance with the Reserve Bank of India (RBI) circular no. RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March, 2020 on implementation of Indian Accounting Standard. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI

IV. **Contingency Reserve**: It is a free reserve and can be utilised from time to time to transfer profit from retained earnings for appropriation purposes. The Contingency Reserve as stated in the financials is not held against any specific or identified purpose hence transferred to General Reserve in the current financial year.

V. **Retained Earnings:** These are the profits that the Company has earned till date, less any transfer to General Reserve, Statutory Reserve, dividends or other distributions paid to shareholders.

VI. **Other Comprehensive Income**: This represents remeasurement of defined employee benefit plans (net of taxes).

Asset Reconstruction Company (India) Limited
Notes to Restated Standalone Financial Statements for the year ended March 31, 2025

(Rs. In millions)

19. Fees and Other Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Management Fees/ Trusteeship Fees	1,368.93	1,969.41	1,680.32
Unbilled Management Fees	(122.17)	(505.49)	(382.96)
Portfolio Recovery Fees	466.91	323.05	436.23
Other Fees	5.41	1.74	0.96
Total	**1,719.08**	**1,788.71**	**1,734.55**

20. Other Operating Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Upside Income - Management Incentive	76.36	88.88	174.93
Income from Investments	1,846.17	734.50	1,460.24
Total	**1,922.53**	**823.38**	**1,635.17**

21.Recovery of Security Receipts, Unrealized Fee & Expenses (written off earlier)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Management Fees	59.08	86.30	347.36
Unbilled Management Fees	374.33	588.01	7.25
Expenses Recoverable from Trusts	422.74	745.48	135.47
Investment in Security Receipts	144.17	1,454.95	918.90
Total	**1,000.32**	**2,874.74**	**1,408.98**

22. Interest Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
On Financial Assets measured at Amortised Cost :-			
Interest on Loans	-	-	76.16
Interest on deposits with Banks	99.04	136.33	126.84
Interest on funded amount from Trust	38.44	72.61	84.74
Interest on CIRP Expenses	0.36	5.64	7.41
Total	**137.84**	**214.58**	**295.15**

23. Net gain/(loss) on Fair Value Changes-Unrealised

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Net gain/(loss) on financial instruments at fair value through profit or loss account :-			
a) On Security Receipts	1,184.74	(258.57)	2,439.44
b) On financial instruments designated at fair value through profit or loss	(0.59)	0.55	(0.15)
c) On Mutual Fund designated at fair value through profit or loss	0.31	-	-
Total	**1,184.46**	**(258.02)**	**2,439.29**

24. Other Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Net gain/ (loss) on derecognition of Property, Plant and Equipment	0.29	0.34	0.09
Others	269.47	39.31	23.88
Total	**269.76**	**39.65**	**23.97**

Asset Reconstruction Company (India) Limited
Notes to Restated Standalone Financial Statements for the year ended March 31, 2025

(Rs. In millions)

25. Finance Costs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
On Financial Liabilities measured at Amortised Cost:-			
Interest on borrowings	113.01	38.69	14.65
Others	0.30	1.37	1.33
Total	**113.31**	**40.06**	**15.98**

26. Impairment of Financial Instruments/ Financial Assets

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Impairment on financial assets at Amortised Cost:-			
Fees and expenses	38.93	23.90	(106.13)
Loans	-	-	(127.19)
Total	**38.93**	**23.90**	**(233.32)**

27. Employee Benefits Expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages	567.92	517.91	513.86
Contribution to provident and other funds	33.56	31.96	27.47
Staff welfare expenses	7.94	6.73	6.45
Total	**609.42**	**556.60**	**547.78**

28. Depreciation, amortization and impairment

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of Tangible Assets	13.05	12.62	14.44
Amortization of Intangible Assets	2.66	0.90	0.73
Depreciation on Right to use Leasehold assets	5.82	5.80	6.24
Total	**21.53**	**19.32**	**21.41**

29. Write off of Security Receipts, Unrealized Fee & Expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Unrealised Management fees written off	1.40	8.59	1.60
Unbilled Management fees written off	13.05	93.67	773.52
Unrealised Expenses Recoverable from Trusts	148.67	340.92	519.91
Investment in Security Receipts Written off	204.01	49.46	2,491.28
Total	**367.13**	**492.64**	**3,786.31**

30. Other Expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Rent, taxes and energy cost	2.62	0.55	3.43
Repairs and maintenance	33.93	23.48	19.36
Communication Costs	1.26	1.08	1.15
Advertisement and publicity	0.34	0.31	1.03
Director's fees, allowances and expenses	13.99	13.15	8.69
Auditor's fees and expenses			
- Audit fees	4.32	3.10	2.94
- Tax Audit fees	0.51	0.51	0.42
- For Reimbursement of Expenses	0.18	0.06	0.09
Legal Expenses	16.52	18.94	23.04
Professional Charges	89.02	95.97	62.32
Insurance	1.00	0.51	0.92
Travelling, Boarding & Lodging expenses	19.49	12.59	12.89
Contribution towards Corporate Social Responsibility	61.93	26.20	4.87
Other expenditure	66.18	62.12	42.68
Total	**311.29**	**258.57**	**183.83**

31 The major components of the tax expense for the period ended March 31, 2025, March 31, 2024 and March 31 2023

(Rs. In millions)

Sr. No.	Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
	Standalone statement of Profit & Loss			
(a)	Profit & loss section			
	Current Income Tax :			
	Current Income Tax charge	868.88	1,113.94	357.21
	Deferred Tax:			
	Relating to originating and reversal of temporary differences	350.31	(75.40)	466.67
	Income Tax expense reported in the statement of Profit & Loss	**1,219.19**	**1,038.54**	**823.88**
(b)	Other Comprehensive Income (OCI) Section			
	Current Income Tax :			
	Net gain/ (loss) on remeasurement of defined benefit plans	4.36	4.54	1.68
	Income Tax expense reported in OCI section	**4.36**	**4.54**	**1.68**

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Reconciliation of tax expense and the accounting profit multiplied by India's domestic Tax rate for the year ended March 31, 2025, March 31, 2024 and March 2023

(Rs. In millions)

Sr. No.	Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
1	Profit before Tax	4,772.38	4,091.95	3,215.12
2	Applicable Tax Rate	25.17%	25.17%	25.17%
3	PBT * Applicable Tax Rate (1*2)	1,201.11	1,029.86	809.18
4	Item leading to difference in effective tax rate compared to statutory tax rate:			
(a)	Difference in tax for items which are not allowed as deduction	13.16	5.67	2.66
(b)	Effect of Deferred tax items	4.93	3.00	12.04
(c)	Effect of prior year adjustments	-	-	-
(d)	Other items (including MAT Credit)	-	-	-
	Total	18.09	8.68	14.70
	Tax expense recognised during the year (3+4)	**1,219.19**	**1,038.54**	**823.88**

Component of Deferred Tax Assets and Liabilities recognised in Balance Sheet and Statement of Profit & loss

(Rs. In millions)

Sr. No.	Component of Deferred Tax (Assets)/ Liabilities	Balance Sheet			Statement of Profit & Loss		
	Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**	**Year ended March 31, 2023**	**Year ended March 31, 2025**	**Year ended March 31, 2024**	**Year ended March 31, 2023**
1	Expected Credit Loss	(29.58)	(19.78)	(13.77)	(9.80)	(6.02)	58.72
2	Provision for doubtful debt and advance	(0.44)	(0.29)	(0.43)	(0.15)	0.14	(0.04)
3	Provision for litigations	(59.12)	(59.12)	(59.12)	-	-	-
4	Provision for compensated absences disallowed u/s 43B	(5.18)	(4.69)	(3.53)	(0.49)	(1.16)	(0.29)
5	Difference in book and Income Tax depreciation	50.03	48.73	46.52	1.30	2.21	2.23
6	Fair Valuation change	503.95	145.45	213.26	358.51	(67.81)	397.92
7	Others	(3.12)	(4.06)	(1.30)	0.94	(2.76)	8.13
	Deferred Tax Expense/ (income)						
	Net Deferred Tax (Assets)/ Liabilities	**456.55**	**106.24**	**181.64**	**350.31**	**(75.40)**	**466.67**

Reconciliation of the deferred tax expense for the year ended March 31, 2025

(Rs. In millions)

Sr. No.	Particulars	Opening Balance as on April 01, 2024	Tax income/ (expense) during the year recognised statement of Profit/ Loss under Profit/Loss section	Tax income/ (expense) during the year recognised statement of Profit/ Loss under OCI section	Deferred Tax due to Fair Value Change	Closing Balance as on March 31, 2025
1	Expected Credit Loss	(19.78)	(9.80)	-	-	(29.58)
2	Provision for doubtful debt and advance	(0.29)	(0.15)	-	-	(0.44)
3	Provision for litigations	(59.12)	-	-	-	(59.12)
4	Provision for compensated absences disallowed u/s 43B	(4.69)	(0.49)	-	-	(5.18)
5	Difference in book and Income Tax depreciation	48.73	1.30	-	-	50.03
6	Fair Valuation change	145.45	358.51	-	-	503.95
7	Others	(4.06)	0.94	-	-	(3.12)
	Total	**106.24**	**350.31**	**-**	**-**	**456.55**

Reconciliation of the deferred tax expense for the year ended March 31, 2024

(Rs. In millions)

Sr. No.	Particulars	Opening Balance as on April 01, 2023	Tax income/ (expense) during the year recognised statement of Profit/ Loss under Profit/Loss section	Tax income/ (expense) during the year recognised statement of Profit/ Loss under OCI section	Deferred Tax due to Fair Value Change	Closing Balance as on March 31, 2024
1	Expected Credit Loss	(13.77)	(6.02)	-	-	(19.78)
2	Provision for doubtful debt and advance	(0.43)	0.14	-	-	(0.29)
3	Provision for litigations	(59.12)	-	-	-	(59.12)
4	Provision for compensated absences disallowed u/s 43B	(3.53)	(1.16)	-	-	(4.69)
5	Difference in book and Income Tax depreciation	46.52	2.21	-	-	48.73
6	Fair Valuation change	213.26	(67.81)	-	-	145.45
7	Others	(1.30)	(2.76)	-	-	(4.06)
	Total	**181.64**	**(75.40)**	**-**	**-**	**106.24**

Reconciliation of the deferred tax expense for the year ended March 31, 2023

(Rs. In millions)

Sr. No.	Particulars	Opening Balance as on April 01, 2022	Tax income/ (expense) during the year recognised statement of Profit/ Loss under Profit/Loss section	Tax income/ (expense) during the year recognised statement of Profit/ Loss under OCI section	Deferred Tax due to Fair Value Change	Closing Balance as on March 31, 2023
1	Expected Credit Loss	(72.49)	58.72	-	-	(13.77)
2	Provision for doubtful debt and advance	(0.39)	(0.04)	-	-	(0.43)
3	Provision for litigations	(59.12)	-	-	-	(59.12)
4	Provision for compensated absences disallowed u/s 43B	(3.24)	(0.29)	-	-	(3.53)
5	Difference in book and Income Tax depreciation	44.28	2.23	-	-	46.52
6	Fair Valuation change	(184.65)	397.92	-	-	213.26
7	Others	(9.43)	8.13	-	-	(1.30)
	Total	**(285.04)**	**466.67**	**-**	**-**	**181.64**

There are no items on which deferred tax asset has not been recognised in the Balance Sheet

32 Capital Adequacy Ratio

As per Reserve Bank of India Guidelines, the Capital Adequacy Ratio of the Company as at March 31, 2025, March 31, 2024 and March 31 2023 works out as below :

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Capital Adequacy Ratio	90.59%	99.03%	95.82%

33 Employee Benefits:

Employee benefits include Provident Fund, Employee State Insurance Scheme (ESIC), Pension, Superannuation, Gratuity and compensated absences.

i) Defined Contribution Plans:

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the Employees' Provident Fund, ESIC, Family Pension Fund, Superannuation Fund and National Pension Scheme. The company's payments to the defined contribution plans are reported as expenses in the year in which the employees perform the services that the payment covers. During the current year, on account of Defined Contribution Plans, the Company has charged Rs. 24.80 millions (Previous FY 2024: Rs. 24.66 millions and FY 2023 : Rs. 18.80 millions) to Statement of Profit & Loss.

ii) Defined Benefit Plans:

(A) Gratuity

Expenses for defined-benefit plans are calculated as at each balance sheet date by independent actuaries. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working year of employees. Incremental liability based on the projected unit credit method as at the reporting date, is charged to the Statement of Profit and Loss. The actuarial gains / losses are accounted in the Statement of Profit and Loss. Excess of fair value of Plan Assets over Defined Benefit Obligation is not recognised on grounds of prudence.

The Company makes a provision for gratuity and compensated absences based on Acturial Reports

Employee benefit plans

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Discount rate(s)	6.72% p.a.	7.20% p.a.	7.46% p.a.
Expected rate(s) of salary increase	7.50% p.a.	5% p.a.	5% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

Amounts recognised in the statement of profit and loss in respect of these defined benefit plans are as follows.

(Rs. In millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Service cost:			
Current service cost	9.04	6.90	5.94
Past service cost and (gain)/loss from settlements	-	-	-
Net interest expense	1.18	0.40	2.73
Components of defined benefit costs recognised in profit or loss	**10.21**	**7.30**	**8.67**
Remeasurement on the net defined benefit liability:			
Return on plan assets (excluding amounts included in net interest expense)	(0.16)	(1.88)	(0.39)
Actuarial (gains) / losses arising from changes in financial assumptions	14.22	1.09	(0.63)
Actuarial (gains) / losses arising from experience adjustments	3.27	18.81	4.50
Actuarial (gains) / losses arising from demographic assumptions	-	-	3.21
Components of defined benefit costs recognised in other comprehensive income	**17.33**	**18.03**	**6.69**
Total	**27.54**	**25.33**	**15.36**

The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:

(Rs. In millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Present value of funded defined benefit obligation	(84.33)	(71.69)	(48.77)
Fair value of plan assets	71.75	55.36	43.41
Funded status	(12.58)	(16.33)	(5.36)
Restrictions on asset recognised			
Others [describe]			
Net liability arising from defined benefit obligation	**(12.58)**	**(16.33)**	**(5.36)**
Current Liability	(12.58)	(13.90)	(5.36)
Non-Current Liability	-	(2.43)	-

Movements in the present value of the defined benefit obligation are as follows. *(Rs. In millions)*

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening defined benefit obligation	71.69	48.77	52.16
Current service cost	9.04	6.90	5.94
Interest cost	5.14	3.64	3.51
Remeasurement (gains)/losses:			
Actuarial gains and losses arising from changes in demographic assumptions			
Actuarial gains and losses arising from changes in financial assumptions	14.22	1.09	(0.63)
Actuarial gains and losses arising from experience adjustments	3.27	18.81	4.50
Actuarial (gains) / losses arising from demographic assumptions	-	-	3.21
Benefits paid	(19.02)	(7.53)	(19.93)
Closing defined benefit obligation	**84.33**	**71.69**	**48.77**

Movements in the fair value of the plan assets are as follows. *(Rs. In millions)*

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening fair value of plan assets	55.36	43.41	14.49
Interest income	3.97	3.24	0.78
Contributions by the Employer			
Remeasurement gain (loss):	31.29	14.36	47.67
Return on plan assets (excluding amounts included in net interest expense)	0.16	1.88	0.39
Contributions from the employer	-	-	-
Benefits paid	(19.02)	(7.53)	(19.93)
Closing fair value of plan assets	**71.75**	**55.36**	**43.41**

(Rs. In millions)

Category of Assets	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	-	-	-
State Government Securities	-	-	-
Special Deposits Scheme	-	-	-
Debt Instruments	-	-	-
Corporate Bonds	-	-	-
Cash And Cash Equivalents	-	-	-
Insurance fund	71.75	55.36	43.41
Asset-Backed Securities	-	-	-
Structured Debt	-	-	-
Other	-	-	-
Total	**71.75**	**55.36**	**43.41**

Risks associated with defined benefit plan
Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting year on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

Sensitivity Analysis *(Rs. In millions)*

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Projected Benefit Obligation on Current Assumptions	84.33	71.69	48.77
Delta Effect of +1% Change in Rate of Discounting	(5.29)	(4.03)	(2.78)
Delta Effect of -1% Change in Rate of Discounting	6.02	4.54	3.12
Delta Effect of +1% Change in Rate of Salary Increase	5.92	4.59	3.17
Delta Effect of -1% Change in Rate of Salary Increase	(5.30)	(4.15)	(2.87)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.57)	0.45	0.38
Delta Effect of -1% Change in Rate of Employee Turnover	0.61	(0.51)	(0.43)

Maturity Profile of Defined Benefit Plans *(Rs. In millions)*

Projected Benefits Payable in Future Years From the Date of Reporting	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
1st Following Year	9.45	9.08	6.09
2nd Following Year	10.73	5.48	3.70
3rd Following Year	8.32	14.20	4.74
4th Following Year	9.16	7.74	9.61
5th Following Year	7.21	8.22	5.32
Sum of Years 6 To 10	27.51	24.34	19.06
Sum of Years 11 and above	75.25	55.67	38.48

(B) Compensated Absences:
a) Assets & Liabilities Recognized in the Financial Statement

(Rs. In millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Non-Current Liabilities	13.78	12.34	9.16
Current Liabilities	6.61	6.10	4.67
Total	**20.39**	**18.44**	**13.83**

b) Actuarial Assumptions :

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Discount rate	6.72%	7.20%	7.46%
Future Salary Rise	7.50%	5.00%	5.00%
Attrition Rate :			
- For service 4 yrs & below	10.00%	10.00%	10.00%
- For service 5 yrs & below	7.00%	7.00%	7.00%

34 Earnings Per Share (EPS)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Profit / (Loss) attributable to equity shareholders for basic/ diluted earnings per share after tax (Rs. In millions)	3,553.19	3,053.41	2,391.24
No. of Shares	32,48,97,140	32,48,97,140	32,48,97,140
Weighted Average no. of equity shares outstanding during the year for basic/ diluted earnings per share	32,48,97,140	32,48,97,140	32,48,97,140
EPS (Basic and Diluted - Rs. Per share)	10.94	9.40	7.36
Nominal value per share - Rs per share	10	10	10

35 Category wise Financial Assets and Financial Liabilities (Rs. In millions)

As at March 31, 2025				
Particulars	**Amortised Cost**	**Fair value**		
		FVTPL	**FVTOCI**	**Total carrying Value**
Financial Assets				
- Cash & Cash Equivalents	1,369.08	-	-	1,369.08
- Bank balance and other than Cash & Cash Equivalents	1,217.81	-	-	1,217.81
- Trade receivables	720.50	-	-	720.50
- Investment in Equity	-	-	-	-
- Investment in Mutual Funds	-	400.29		400.29
- Investment in SRs	-	27,316.22	-	27,316.22
- Deposits	116.40	-	-	116.40
- Recoverable from Trusts and Others	125.69	-	-	125.69
Total	**3,549.47**	**27,716.51**	**-**	**31,265.98**
Financial Liabilities				
- Trade payable	18.54	-	-	18.54
- Bank Borrowings	3,059.86	-	-	3,059.86
- Recovery on behalf of Trust and other Constituents	41.22	-	-	41.22
- Liability for Leases	6.27	-	-	6.27
- Liability for expenses	60.25	-	-	60.25
- Other Liabilities	190.26			190.26
Total	**3,376.40**	**-**	**-**	**3,376.40**

(Rs. In millions)

As at March 31, 2024				
Particulars	**Amortised Cost**	**Fair value**		
		FVTPL	**FVTOCI**	**Total carrying Value**
Financial Assets				
- Cash & Cash Equivalents	3,324.83	-	-	3,324.83
- Bank balance and other than Cash & Cash Equivalents	770.48	-	-	770.48
- Trade receivables	729.74	-	-	729.74
- Investment in Equity	-	1.42	-	1.42
- Investment in SRs	-	20,622.52	-	20,622.52
- Deposits	65.40	-	-	65.40
- Recoverable from Trusts and Others	108.97	-	-	108.97
- Accrued income on Investment	-	-	-	-
Total	**4,999.42**	**20,623.94**	**-**	**25,623.36**
Financial Liabilities				
- Trade payable	14.22	-	-	14.22
- Bank Borrowings	1,499.47	-	-	1,499.47
- Recovery on behalf of Trust and other Constituents	48.13	-	-	48.13
- Liability for Leases	13.88	-	-	13.88
- Liability for expenses	71.35	-	-	71.35
- Liability for Unspent CSR	20.26	-	-	20.26
- Other Liabilities	967.93	-	-	967.93
Total	**2,635.25**	**-**	**-**	**2,635.25**

(Rs. In millions)

As at March 31, 2023				
Particulars	**Amortised Cost**	**Fair value**		
		FVTPL	**FVTOCI**	**Total carrying Value**
Financial Assets				
- Cash & Cash Equivalents	2,004.32	-	-	2,004.32
- Bank balance and other than Cash & Cash Equivalents	2,207.21	-	-	2,207.21
- Trade receivables	566.77	-	-	566.77
- Investment in Equity	-	0.86	-	0.86
- Investment in SRs	-	17,768.76	-	17,768.76
- Loans	-	-	-	-
- Deposits	16.64	-	-	16.64
- Recoverable from Trusts and Others	138.32	-	-	138.32
Total	**4,933.26**	**17,769.62**	**-**	**22,702.88**
Financial Liabilities				
- Trade payable	3.40	-	-	3.40
- Bank Borrowings	1,180.13	-	-	1,180.13
- Recovery on behalf of Trust and other Constituents	97.08	-	-	97.08
- Liability for Capital expenses		-	-	-
- Liability for Leases	17.37	-	-	17.37
- Liability for expenses	52.75	-	-	52.75
- Liability for Unspent CSR	18.04	-	-	18.04
- Other Liabilities	323.82	-	-	323.82
Total	**1,692.59**	**-**	**-**	**1,692.59**

36 Fair Value measurements recognised on the Balance Sheet

(Rs. In millions)

As at March 31, 2025				
	Level 1	Level 2	Level 3	Total
Financial Assets				
- Investment in Equity	-	-	-	-
- Investment in Mutual Funds	400.29	-	-	400.29
- Investment in SRs	-		27,316.22	27,316.22

(Rs. In millions)

As at March 31, 2024				
	Level 1	Level 2	Level 3	Total
Financial Assets				
- Investment in Equity	1.42	-	-	1.42
- Investment in SRs	-		20,622.52	20,622.52

(Rs. In millions)

As at March 31, 2023				
	Level 1	Level 2	Level 3	Total
Financial Assets				
- Investment in Equity	0.86	-	-	0.86
- Investment in SRs	-		17,768.76	17,768.76

This explains the judgments and estimate made in determining the Fair Value of financial instruments that are (a) recognised and measured at Fair Value (b) measured at amortised cost and for which fair values are disclosed in the financial statements. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of following three levels:

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted price. This includes listed equity shares, traded bonds, mutual funds, etc., that have quoted price.

Level 2 : The fair value of financial instruments that are not traded in active market is determined using valuation techniques which maximise the use of observable market data and rely as little possible on entity specific estimates. If all significant inputs required for determining fair value of an financial instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant input is not based on observable market data, the instrument is included in Level 3.

Valuation Methodologies

Quoted market prices in active markets are available for investments in equity and, as such, these instruments are classified within Level 1.

Investments: The Companies investments primarily consists of Investments in SRs. Fair value of investments in Security Receipts are classified as Fair Value through Profit & loss, and are determined using NAV by Rating Agencies as specified by RBI Guidelines and are classified as Level 3. The ratings are based on recovery rating scale.

Fair value of Financial Assets and Financial Liabilities, measured at Amortised Cost
Management has assessed that all financial assets and financial liabilities measured at amortised cost approximates their fair value.

37 Maturity profile of Financial Liabilities, including future interest

As at March 31, 2025 (Rs. In millions)

Particulars	Less than 1 year	More than 1 year	Carrying Amount
Trade Payables	18.54	-	18.54
Borrowings	2,309.86	750.00	3,059.86
Other Financial Liabilities	298.00	-	298.00
	2,626.41	**750.00**	**3,376.40**

As at March 31, 2024 (Rs. In millions)

Particulars	Less than 1 year	More than 1 year	Carrying Amount
Trade Payables	14.23	-	14.23
Borrowings	999.47	500.00	1,499.47
Other Financial Liabilities	1,113.51	8.03	1,121.54
	2,127.21	**508.03**	**2,635.25**

As at March 31, 2023 (Rs. In millions)

Particulars	Less than 1 year	More than 1 year	Carrying Amount
Trade Payables	3.40	-	3.40
Borrowings	1,180.13	-	1,180.13
Other Financial Liabilities	497.50	11.56	509.06
	1,681.03	**11.56**	**1,692.59**

38 Financial Risk Management

The Company is exposed to market risk, credit risk and liquidity risk, which may impact the fair value of its financial instruments. The Company has a risk management policy to manage and mitigate these risks.

(A) Market Risk

Market risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of foreign currency risk and interest rate risk. The Company is primarily exposed to interest rate risk.

(i) Foreign Currency Risk

Foreign Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in market prices. Market risk comprises of foreign currency risk and interest exposure to the risk of changes in exchange rate as there are no off-shore business transactions.

(ii) Interest Rate Risk

Interest Rate Risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's investments are primarily in fixed deposits and security receipts issued by trusts. The Company's exposure to the risk of changes is market rates relates primarily to the Company's debt obligations with floating interest rates. Hence the Company is not significantly exposed to interest rate risk.

(B) Credit Risk

Financial Instruments that potentially subject the Company to concentration of Credit risk consist principally of trade receivables, unbilled revenue, investment securities and other recoverable from trusts. By their nature, all such financial instruments involve risks, including the credit risk of non-performance by counterparties i.e. trusts. However, the Company being trustee of all the trusts managed by it, the priority of receivables/ outstanding is a priority as per the waterfall mechanism defined Trust Deed/ Offer Document. Hence, the Company is not significantly exposed to credit risk.

(C)Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities. The investment philosophy of the Company is capital preservation and liquidity in preference to returns. Although the investments in security receipts are not tradable in market , the Company consistently generates sufficient cash flows from operations and has access to other sources of funding to meet the financial obligations and maintain adequate liquidity for use.

Reconciliation of Gross Carrying Amount -

A) Trade Receivables

(Rs. In millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Gross carrying Amount (Opening Balance)	796.51	619.02	1,110.19
Add: Origination of the Trade Receivables during the year	1,719.07	1,788.71	1,908.52
Less: Recoveries from Trade Receivables during the year	2,113.32	2,183.28	1,979.17
Less: Trade Receivables Written-off/ (Write-back)	(418.95)	(572.06)	420.52
Gross carrying Amount (Closing Balance)	**821.21**	**796.51**	**619.02**

B) Funded Interest - clubbed under Recoverable from Trusts

(Rs. In millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Gross carrying Amount (Opening Balance)	11.40	26.79	287.54
Add: Assets Originated	38.79	78.24	92.15
Less: Net recoveries from Trusts	126.12	465.90	111.31
Less: Net Assets Written-off/ (Write-back)	(89.95)	(372.27)	241.59
Gross carrying Amount (Closing Balance)	**14.02**	**11.40**	**26.79**

Reconciliation of Expected Credit Loss (ECL) -

A) Trade Receivables

(Rs. In millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Impairment Loss Allowance (Opening Balance)	66.77	52.25	118.54
Changes in Impairment Loss Allowance due to -		-	-
Add: Origination of the Trade Receivables during the year	144.10	150.97	203.79
Less: Recoveries from Trade Receivables during the year	177.15	184.28	211.33
Less: Trade Receivables Written-off	(35.12)	(48.28)	44.90
Change in Estimates	**31.88**	**(0.46)**	**(13.85)**
Impairment Loss Allowance (Closing Balance)	**100.71**	**66.77**	**52.25**

B) Funded Interest - clubbed under Recoverable from Trusts

(Rs. In millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Impairment Loss Allowance (Opening Balance)	11.84	2.46	42.30
Changes in Loss Allowance due to -	-	-	-
Add: Assets Originated	40.31	7.18	13.55
Less: Net recoveries from Trusts	131.05	42.73	16.37
Less: Net Assets Written-off/ (Write-back)	(93.46)	(34.14)	35.54
Change in Estimates	**(13.15)**	**10.80**	**(1.48)**
Impairment Loss Allowance (Closing Balance)	**1.42**	**11.84**	**2.46**

(D) Operational Risk

The Company controls operational risks to ensure that operational losses (financial or reputational), including any related to conduct of business matters, do not cause material damage to the Company.

(E) Reputational Risk

The Company protects is reputation from material damage by ensuring that any business activity is satisfactorily assessed and managed by the appropriate level of management and governance oversight.

(F) Compliance Risk

The Company has no appetite for breaches in laws and regulation, while recognising that, regulatory non-compliance cannot be entirely avoided, the Company strives to reduce this to an absolute minimum.

39 Market (Price) risk sensitivity

a. Investment in Security receipts

(Rs. In millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Investment in Security receipts	27,316.23	20,622.52	17,768.76
Increase /Decrease in the unobservable input	5%	5%	5%
FV Increase	1,454.27	1,065.54	888.44
FV Decrease	(1,454.27)	(1,065.54)	(888.44)
Significant unobservable inputs	Estimated cash flow based on realisation of collaterals value, etc.		

b. Equity

The sensitivity analysis based on the exposure to the equity price risks at the end of the reporting year.

(Rs. In millions)

Particulars	As at March 31, 2025
Equity Instruments	-

(Rs. In millions)

Particulars	As at March 31, 2024
Equity Instruments	1.42
+10.65%	1.57
-10.65%	1.27

Particulars	As at March 31, 2023
Equity Instruments	0.86
+9.31%	0.94
-9.31%	0.78

40 Capital Management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through loans and operating cashflows generated. The Company is not subject to externally imposed capital requirements.

The Company's strategy is to maintain optimum gearing ratio. The gearing ratios are as follows:

(Rs. In millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Cash and Cash Equivalents	1,369.08	3,324.83	2,004.32
Bank balance other than Cash and Cash Equivalents	972.52	540.90	1,929.16
Borrowings	3,059.86	1,499.47	1,180.13
Net Debt	718.27	-	-
Total Equity	27,677.98	24,625.11	22,397.43
Debt/ Equity Ratio	0.03	-	-

41 Corporate Social Responsibility

(Rs. In millions)

Particulars	As at March 31, 2025	As at March 31, 2024*	As at March 31, 2023**
a) Amount required to be spent by the company during the year	61.38	26.20	4.87
b) Amount of expenditure incurred	61.93	6.87	-
c) Shortfall at the end of the year	-	19.33	4.87
d) Total of previous years shortfall	-	0.93	18.04
e) Nature of CSR activities	Healthcare & Nutrition, Education, Environmental Sustainability		

*Two ongoing CSR Projects for FY 22-23 and 2 ongoing CSR Project for FY 23-24 are due for completion at the end of the FY. Of the total unspent CSR Funds of FY 23-24 – Rs 19.33 millions and a sum of Rs 3.05 millions is due to spent on 2 ongoing projects of FY23-24 and the balance unspent CSR funds - Rs 16.29 millions is being transferred to PM Cares fund.

**Six ongoing CSR Projects for FY20-21 and 1 ongoing CSR Project for FY21-22 have been completed during FY22-23 – CSR Projects for implementation have been reviewed during FY22-23 and will be implemented as ongoing projects.

42 Details of expenditure and Income in foreign currency:

a. Expenditure in Foreign currency (Rs. In millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Software Expenses & Maintenance	2.02	1.17	0.88
Total	**2.02**	**1.17**	**0.88**

b.Income in Foreign currency (Rs in millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Income in Foreign currency	-	-	-

43 Revenue from contracts with customers

Disaggregated Revenue

The table below represents disaggregated revenues from contracts with customers by type of services, geographical market and timing of revenue recognition. The Management believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

(Rs. In millions)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2024
Type of Services			
Fees Income	1,719.08	1,788.71	1,734.55
Total revenue from contract with customers	**1,719.08**	**1,788.71**	**1,734.55**
Geographical Markets			
India	1,719.08	1,788.71	1,734.55
Outside India	-	-	-
Total revenue from contract with customers	**1,719.08**	**1,788.71**	**1,734.55**
Timing of revenue recognition			
Services transferred at a point in time	-	-	-
Services transferred over time	1,719.08	1,788.71	1,734.55
Total revenue from contract with customers	**1,719.08**	**1,788.71**	**1,734.55**

Contract balance (Rs. In millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Trade Receivables (Before Impairment Loss Allowance (ECL)	821.21	796.51	619.02

44 Related Party Transactions

As per Ind AS 24 'Related Party Disclosures', the related party where control exists or where significant influence exists and with whom transactions have taken place are as below:

Subsidiaries

Trust Name	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Arcil-Daewoo Motors India Ltd Trust	Yes	Yes	Yes
Arcil-Parasrampuria Synthetics ltd Trust	Yes	Yes	
Arcil-Precision Fastners Ltd-Trust	Yes	Yes	Yes
Arcil-Parekh Platinum Ltd. Trust	Yes	Yes	Yes
Arcil-Bellary Steels & Alloys Ltd.-II Trust	Yes	Yes	Yes
Arcil-Indo Deutsche Metallo Chemique-Trust	Yes	Yes	Yes
Arcil-Hanuman Miner Oil Ltd. Trust	Yes	Yes	Yes
Arcil-Equipment Conductor & Cables Ltd. Trust	Yes	Yes	Yes
Arcil-LSIL Trust	Yes	Yes	Yes
Arcil-PSL II Trust	Yes	Yes	Yes
Arcil-Polar Industries Limited Trust	Yes	Yes	Yes
Arcil-MVR-I Trust	Yes	Yes	Yes
Arcil-Ispat Profiles Trust	Yes	Yes	Yes
Arcil-Nath Seeds Limited Trust	Yes	Yes	Yes
Arcil-JCT II Trust	Yes	Yes	Yes
Arcil-Maridia Steel Limited-I Trust	Yes	Yes	Yes
Arcil-Maridia Steel Limited-II Trust	Yes	Yes	Yes
Arcil-Maridia Steel Limited-III Trust	Yes	Yes	Yes
Arcil-MVR-II Trust	Yes	Yes	Yes
Arcil-NPPML Trust	Yes	Yes	Yes
Arcil-PSL III Trust	Yes	Yes	Yes
Arcil-PSL IV Trust	Yes	Yes	Yes
Arcil-Kishore Dalal & Company Trust	Yes	Yes	-
Arcil-Kiran Overseas Exports Ltd. Trust	Yes	Yes	Yes
Arcil-Shalimar Wires Industries Limited-II Trust	Yes	Yes	Yes
Arcil-MVR-III Trust	Yes	Yes	Yes
Arcil-Bentels Corporation Limited Trust	Yes	Yes	Yes
Arcil-KOEL-I Trust	Yes	Yes	Yes
Arcil-Mafatlal Engineering Industries Ltd Trust	Yes	Yes	Yes

Arcil-Maridia Steel Limited-IV Trust	Yes	Yes	Yes
Arcil-JCT III Trust	Yes	Yes	Yes
Arcil-Shalimar Wires Industries Limited-III Trust	Yes	Yes	Yes
Arcil Mukerian Paper Ltd Trust	Yes	Yes	Yes
Arcil-Mukerian II Trust	Yes	Yes	Yes
Arcil-KOEL-II Trust	Yes	Yes	Yes
Arcil-Jhagadia Copper Limited Trust	Yes	Yes	Yes
Arcil-Polar Industries Limited-II Trust	Yes	Yes	Yes
Arcil-BPL Display Devices Limited-I Trust	Yes	Yes	Yes
Arcil - Excel Oils and Chemicals Pvt. Ltd. Trust	Yes	Yes	Yes
Arcil-International Sree Balaji Hotels Private Limited Trust	Yes	Yes	Yes
Arcil-Uday Estates Pvt. Ltd. Trust	Yes	Yes	Yes
Arcil-L. S. P. Agro Limited Trust	Yes	Yes	Yes
Arcil-The Dhar Textile Mills Ltd. Trust	Yes	Yes	Yes
Arcil-Jagat Edible Oil India Pvt. Ltd. Trust	Yes	Yes	Yes
Arcil-Vama Exports Ltd. Trust	Yes	Yes	Yes
Arcil-Golden Fries Ltd. Trust	Yes	Yes	Yes
Arcil-Esteem Estate Projects Pvt. Ltd. Trust	Yes	Yes	Yes
Arcil-AST-IV-Trust	Yes	Yes	Yes
Arcil-AST-VII-Trust	Yes	Yes	Yes
Arcil-AST-039-I-Trust	Yes	Yes	Yes
Arcil-AST-001-VI-Trust	Yes	Yes	Yes
Arcil-AST-017-I-Trust	Yes	Yes	Yes
Arcil-AST-018-I-Trust	Yes	Yes	Yes
Arcil-AST-001-IX-Trust	Yes	Yes	Yes
Arcil-AST-001-X-Trust	Yes	Yes	Yes
ARCIL-AST-001-XI-TRUST	Yes	Yes	Yes
Arcil-AST-017-V-Trust	Yes	Yes	Yes
Arcil-AST-024-I-Trust	Yes	Yes	Yes
Arcil-AST-026-I-Trust	Yes	Yes	Yes
Arcil-AST-024-II-Trust	Yes	Yes	Yes
ARCIL-AST-001-XVIII-TRUST	Yes	Yes	Yes
Arcil-AST-003-VIII-Trust	Yes	Yes	-
Arcil-AST-RA-001 Trust	Yes	Yes	-
Arcil-AST-030-II-Trust	Yes	Yes	-
Arcil-Trust-2025C-001	Yes	-	-
ARCIL-TRUST-2025C-005	Yes	-	-
ARCIL-TRUST-2025C-007	Yes	-	-
Arcil-Trust-2025C-015	Yes	-	-
Arcil-CPS-002-IX Trust	Yes	Yes	Yes
Arcil-CPS-012-II Trust	Yes	Yes	Yes
Arcil-CPS-012-I Trust	Yes	Yes	Yes
Arcil-CPS-032-I-Trust	Yes	Yes	Yes
Arcil-CPS-006-III-Trust	Yes	Yes	Yes
Arcil-CPS-003-IV Trust	Yes	Yes	Yes
Arcil-CPS-003-V Trust	Yes	Yes	Yes
Arcil-CPS-012-III-Trust	Yes	Yes	Yes
Arcil-CPS-041-I-Trust	Yes	Yes	Yes
Arcil-CPS-008-II-Trust	Yes	Yes	Yes
Arcil-CPS-II-Trust	Yes	Yes	Yes
ARCIL-CPS-IV-TRUST	Yes	Yes	-
ARCIL-TRUST-2025C-013	Yes	-	-
Arcil-SBPS-001-I Trust	Yes	Yes	Yes
Arcil-SBPS-001-VI Trust	Yes	Yes	Yes
Arcil-SBPS-001-VIII Trust	Yes	Yes	Yes
Arcil-SBPS-001-X Trust	Yes	Yes	Yes
Arcil-SBPS 001-XII Trust	Yes	Yes	Yes
Arcil-SBPS 021-II Trust	Yes	Yes	Yes
Arcil-SBPS 016-I Trust	Yes	Yes	Yes
Arcil-SBPS-025-I Trust	Yes	Yes	Yes
Arcil-SBPS-028-I-Trust	Yes	Yes	Yes
Arcil-SBPS-027-I Trust	Yes	Yes	Yes
Arcil-SBPS-026-II-Trust	Yes	Yes	Yes
Arcil-SBPS-002-II-Trust	Yes	Yes	Yes
Arcil-SBPS-008-I Trust	Yes	Yes	Yes
Arcil-SBPS-042-I-Trust	Yes	Yes	Yes
ARCIL-SBPS-060-I TRUST	Yes	Yes	Yes
ARCIL SBPS-041-I TRUST	Yes	Yes	Yes
ARCIL-SBPS-006-VII TRUST	Yes	Yes	Yes
Arcil-SBPS-I-Trust	Yes	Yes	Yes
ARCIL-SBPS-073-I-TRUST	Yes	Yes	Yes
Arcil-2024C-007-Trust	Yes	Yes	-
Arcil NHB Retail Loan Portfolio 001 Trust	Yes	Yes	Yes
Arcil-Retail Loan Portfolio-002-A Trust	Yes	Yes	Yes
Arcil-Retail Loan Portfolio-002-B Trust	Yes	Yes	Yes
Arcil-Retail Loan Portfolio-003-A Trust	Yes	Yes	Yes
Arcil-Retail Loan Portfolio-029-A-Trust	Yes	Yes	Yes
Arcil-Retail Loan Portfolio -036-A-Trust	Yes	Yes	Yes
Arcil-Retail Port-044-A-T	Yes	Yes	Yes
Arcil-Retail Port-048-A-Trust	Yes	Yes	Yes
Arcil-Retail Port-042-A-Trust	Yes	Yes	Yes
Arcil-Retail Port-032-A-Trust	Yes	Yes	Yes
Arcil-Retail Port-049-A-Trust	Yes	Yes	Yes
Arcil-Retail Port-050-A-Trust	Yes	Yes	Yes
Arcil Retail Loan Portfolio-045-B-Trust	Yes	Yes	Yes
Arcil Retail Loan Portfolio-042-B-Trust	Yes	Yes	Yes
Arcil Retail Loan Portfolio-053-A-Trust	Yes	Yes	Yes
Arcil Retail Loan Portfolio-058-B-Trust	Yes	Yes	Yes
Arcil-Retail Loan Portfolio-060-A-Trust	Yes	Yes	Yes
Arcil-Retail Loan Portfolio-061-A-Trust	Yes	Yes	Yes
Arcil-Retail Loan Portfolio-058-C-Trust	Yes	Yes	Yes
Arcil-Retail Loan Portfolio-42-D-Trust	Yes	Yes	Yes
Arcil-Retail Loan Portfolio-42-E-Trust	Yes	Yes	Yes
Arcil-Retail Loan Portfolio-042-F-Trust	Yes	Yes	Yes
Arcil-Retail Loan Portfolio-042-I-Trust	Yes	Yes	Yes
Arcil-Retail Loan Portfolio-042-H-Trust	Yes	Yes	Yes
Arcil-Retail Loan Portfolio-042-G-Trust	Yes	Yes	Yes
Arcil-Retail Loan Portfolio-029-B-Trust	Yes	Yes	Yes
Arcil-Retail-Loan-Portfolio-074-A-Trust	Yes	Yes	Yes
Arcil-Retail Loan Portfolio-074-B-Trust	Yes	Yes	Yes
Arcil-Retail Loan Portfolio-045-C-Trust	Yes	Yes	Yes
Arcil-Retail Loan Portfolio-092-A-Trust	Yes	Yes	-
Arcil-2024C-001 -Trust	Yes	Yes	-
Arcil-2024C-003 -Trust	Yes	Yes	-
Arcil-2024C-004 -Trust	Yes	Yes	-
Arcil-2024C-005 -Trust	Yes	Yes	-
Arcil-2024C-006 -Trust	Yes	Yes	-
ARCIL-TRUST-2025C-003	Yes	-	-
ARCIL-TRUST-2025C-004	Yes	-	-
ARCIL-TRUST-2025C-006	Yes	-	-
ARCIL-TRUST-2025C-008	Yes	-	-
ARCIL-TRUST-2025-005	Yes	-	-
ARCIL-TRUST-2025C-010	Yes	-	-
ARCIL-TRUST-2025C-009	Yes	-	-
Arcil-Trust-2025-008	Yes	-	-

ARCIL-TRUST-2025C-012	Yes	-	-
ARCIL-TRUST-2025C-011	Yes	-	-
ARCIL-TRUST-2025C-014	Yes	-	-
Arcil-Trust-2025-015	Yes	-	-
Arcil-Trust-2025-016	Yes	-	-
Arcil-Trust-2025C-016	Yes	-	-
Arcil-Shalimar Wires Industries Limited-IV Trust	Yes	Yes	Yes
Arcil-CPS 002-II Trust-Scheme B	Yes	Yes	Yes
Arcil-CPS-002-VII Trust-Scheme B	Yes	Yes	Yes
Arcil-CPS-002-VII Trust-Scheme C	Yes	Yes	-
Arcil-CPS-002-VII Trust-Scheme D	Yes	Yes	Yes
Arcil-CPS-002-I Trust-Scheme A4	Yes	Yes	Yes
Arcil-CPS-002-I Trust-Scheme A5	Yes	Yes	Yes
Arcil-CPS-002-I Trust-Scheme A6	Yes	Yes	Yes
Arcil-CPS-002-I Trust-Scheme B1	Yes	Yes	Yes
Arcil-CPS-002-I Trust-Scheme D	Yes	Yes	Yes
Arcil-SBPS 001-IV Trust-Scheme A	Yes	Yes	Yes
Arcil-SBPS 001-IV Trust-Scheme B	Yes	Yes	Yes
Arcil-SBPS 001-III Trust-Scheme A	Yes	Yes	Yes
Arcil-SBPS 001-III Trust-Scheme B	Yes	Yes	Yes
Arcil-SBPS 001-V Trust-Scheme B	Yes	Yes	Yes
Arcil-SBPS 002-I Trust-Scheme A	Yes	Yes	Yes
Arcil-SBPS 002-I Trust-Scheme B2	Yes	Yes	Yes
Arcil-SBPS-007-II-Trust-Scheme C	Yes	Yes	Yes
Arcil-SBPS-007-II-Trust-Scheme A1	Yes	Yes	Yes
Arcil-SBPS-007-II-Trust-Scheme A2	Yes	Yes	Yes
Arcil-SBPS-014-I-Trust-Scheme A	Yes	Yes	Yes
Arcil-SBPS-014-I-Trust-Scheme B	Yes	Yes	Yes
Arcil-SBPS 014-II Trust-Scheme A	Yes	Yes	Yes
Arcil-SBPS 014-II Trust-Scheme C	Yes	Yes	Yes
Arcil-SBPS 013-I Trust-Scheme B	Yes	Yes	Yes
Arcil-SBPS 019-I Trust-Scheme B	Yes	Yes	Yes
Arcil-SBPS 022-I Trust-Scheme A1	Yes	Yes	Yes
Arcil-SBPS 021-I Trust-Scheme B	Yes	Yes	Yes
Arcil-SBPS 021-I Trust-Scheme C	Yes	Yes	Yes
Arcil-AARF-II-Trust-Scheme 1	Yes	Yes	Yes
Arcil-Trust-2025-010	Yes	-	-
Arcil – Trust -2025C – 017	Yes	-	-
Arcil – Trust -2025C – 018	Yes	-	-
Arcil-Trust-2025C-019	Yes	-	-
Arcil-Rustagi Impex Private Limited Trust (upto 23.05.2023)	Yes	Yes	Yes
Arcil-AST-003-I-Trust (upto 17.07.2024)	Yes	Yes	Yes
Arcil-AST-027-I-Trust (upto 17.07.2024)	Yes	Yes	Yes
Arcil-AST-017-IV-Trust (upto 17.07.2024)	Yes	Yes	Yes
Arcil-AST-034-II-Trust (upto 17.07.2024)	Yes	Yes	Yes
Arcil-AST-001-VIII-Trust (upto 18.04.2023)	Yes	Yes	Yes
Arcil-AST-003-V-Trust (upto 18.04.2023)	Yes	Yes	Yes
Arcil-AST-034-III-Trust (upto 18.04.2023)	Yes	Yes	Yes
Arcil-AST-051-I-Trust (upto 18.04.2023)	Yes	Yes	Yes
Arcil-AST-041-I-Trust (upto 18.04.2023)	Yes	Yes	Yes
Arcil-AST-001-XII-Trust (upto 28.05.2024)	Yes	Yes	Yes
Arcil-AST-056-I-Trust (upto 17.07.2024)	Yes	Yes	Yes
Arcil-AST-082-I-Trust (upto 17.07.2024)	Yes	Yes	Yes
Arcil-AST-082-II-Trust (upto 17.07.2024)	Yes	Yes	Yes
Arcil-AST-090-I-Trust (upto 17.03.2025)	Yes	Yes	-
Arcil-CPS-031-I-Trust	-	-	Yes
ARCIL-CPS-032-II-TRUST (upto 01.04.2022)	-	-	Yes

Associates

Trust Name	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Arcil-AST-003-IV-Trust	Yes	Yes	Yes
Arcil-CPS-081-I-Trust	Yes	Yes	Yes
Arcil-SBPS-022-II Trust	Yes	Yes	Yes
Arcil-SBPS-022-III-Trust	Yes	Yes	Yes
Arcil-SBPS-022-IV Trust	Yes	Yes	Yes
ARCIL-TRUST-2024-001	Yes	Yes	-
Arcil-Retail Port-046-A-T	Yes	Yes	Yes
Arcil Retail Portfolio-022-A Trust	Yes	Yes	Yes
Arcil-CPS-002-V Trust-Scheme A	Yes	Yes	Yes
Arcil – Trust -2025 – 013	Yes	-	-
Arcil – Trust -2025 – 012	Yes	-	-
Arcil – Trust -2025 – 018	Yes	-	-
Arcil-AST-001-VII-Trust (upto 27.03.2025)	Yes	Yes	Yes

Holding Company

Avenue India Resurgence Pte. Ltd

Key Management Personnel

Mr. Pallav Mohapatra (CEO & Managing Director)
Mr. Pramod Gupta (Chief Financial Officer)
Mr. Ameet Kela (Company Secretary)
Mr. Narayanan Subramaniam (Chairman w.e.f. 01.04.2025, Independent Director)
Mr. Pavan Pal Kaushal (Chairman till 31.03.2025 , Independent Director)
Mr. Sudarshan Sen (Sponsored Director, representative of Avenue India Resurgence Pte. Ltd)
Mr. Ashish Shukla (Sponsored Director, representative of Avenue India Resurgence Pte. Ltd)
Mr. Ashok Kumar Sharma (Nominee Director) (w.e.f. 26.12.2024)
Mr. Balachander Rajaraman (Independent Director)
Ms. Raksha Kothari (Independent Director) (w.e.f 16.04.2024)
Mr.Anil Gorthy (Chairman,Sponsored Director, representative of Avenue India Resurgence Pte. Ltd)(till 13.11.2023)
Mr. Pradeep Kumar Panja (Independent Director) (till 22.06.2024)
Mr. Salee Sukumaran Nair (Nominee Director) (till 21.08.2024)
Mr. Srinivasa Rao(Nominee director of State Bank of India) (till 31.10.2023)
Mr. Natarajan Sundar (Nominee director of State Bank of India) (till 30.04.2022)
Mr. Rakesh Grover (Nominee director of Punjab National Bank) (till 29.03.2023)
Mr. Shailendra Nadkarni (Nominee Director of IDBI Bank) (till 18.05.2022)
Mr. Partha dey (Nominee Director of ICICI Bank Ltd.) (till 19.05.2022)
Ms. Gopika Pant (Independent Director) (till 08.03.2023) $

(Rs. In millions)

Particulars	Year ended March 31, 2025			Year ended March 31, 2024			Year ended March 31, 2023		
	Holding	Subsidiaries	Associates	Holding	Subsidiaries	Associates	Holding	Subsidiaries	Associates
1) Income from trusts managed by Arcil									
a. Fees & Other Income	**-**	**443.11**	**40.76**	**-**	**321.96**	**52.53**	**-**	**90.27**	**33.45**
Arcil-CPS-II-Trust	-	56.06	-	-	60.61	-	-	18.23	-
Arcil-Trust-2025-008	-	58.71	-	-	-	-	-	-	-
ARCIL-CPS-IV-Trust	-	145.48	-	-	169.41	-	-	-	-
Arcil-CPS-081-I-Trust		-	-	-	-	-	-	-	17.08
Arcil-CPS-008-II-Trust		-	-	-	-	-	-	28.63	-
Others	-	182.86	40.76	-	91.94	52.53	-	43.41	16.37
b. Interest Income	**-**	**8.95**	**0.40**	**-**	**61.84**	**0.61**	**-**	**17.05**	**0.18**
Arcil-Retail Loan Portfolio-092-A-Trust	-	1.75	-	-	-	-	-	-	-
Arcil-CPS-002-IX Trust	-	-	-	-	35.77	-	-	-	-
Arcil-Uday Estates Pvt. Ltd. Trust	-	-	-	-	10.55	-	-	-	-

Arcil-PSL II Trust	-	-	-	-	-	-	-	1.81	-
Arcil-AST-024-II-Trust	-	-	-	-	-	-	-	1.92	-
Arcil-AST-001-X-Trust	-	-	-	-	-	-	-	4.62	-
Arcil-AST-IV-Trust	-	-	-	-	-	-	-	2.40	-
Others	-	7.20	0.40	-	15.52	0.61	-	6.29	0.18
					-	-	-	-	-
c. Other Operating Income	-	**753.88**	**6.08**	-	**424.99**	**22.86**	-	**1,228.65**	**16.06**
Arcil-SBPS-041-I-Trust	-	253.76	-	-	-	-	-	-	-
Arcil-JCT III Trust	-	-	-	-	72.08	-	-	-	-
Arcil-AARF-II-Trust-Scheme 1	-	-	-	-	95.28	-	-	-	-
Arcil-AST-003-I-Trust	-	-	-	-	49.87	-	-	334.53	-
Arcil-AST-039-I-Trust		-	-	-	-	-	-	209.25	-
Arcil-SBPS-008-I Trust		-	-	-	-	-	-	129.08	-
Others	-	500.12	6.08	-	207.76	22.86	-	555.79	16.06
d. Other Income	-	**11.01**	**1.89**	-	**5.52**	**1.43**	-	**6.63**	**0.78**
Arcil-CPS-081-I-Trust	-	-	-	-	-	0.93	-	-	-
ARCIL-CPS-IV-TRUST	-	1.52	-	-	-	-	-	-	-
Arcil-2024C-004 -Trust	-	1.49	-	-	-	-	-	-	-
Arcil-2024C-003 -Trust	-	1.49	-	-	-	-	-	-	-
Arcil-Retail Loan Portfolio-092-A-Trust	-	1.35	-	-	-	-	-	-	-
ARCIL-TRUST-2024-001		-	1.47	-	-	-	-	-	-
Others	-	5.15	0.43	-	5.52	0.50	-	6.63	0.78
e. Recovery of Security Receipts, Unrealized Fee & Expenses (written off earlier)	-	**181.84**	**2.77**	-	**1,402.93**	**0.02**	-	**370.09**	**5.89**
Arcil-CPS-006-III-Trust	-	-	-	-	438.74	-	-	-	-
Arcil-CPS-002-IX Trust	-	-	-	-	398.27	-	-	-	-
Arcil-SBPS-025-I Trust	-	-	-	-	244.33	-	-	-	-
Arcil-AARF-II-Trust-Scheme 1	-	47.52	-	-	-	-	-	-	-
Arcil-Vama Exports Ltd. Trust	-	27.49	-	-	-	-	-	-	-
Arcil-Daewoo Motors India Ltd Trust	-	23.59	-	-	-	-	-	-	-
Arcil-PSL II Trust	-	-	-	-	-	-	-	175.98	-
Arcil-AST-IV-Trust	-	-	-	-	-	-	-	118.59	-
Others	-	83.24	2.77	-	321.59	0.02	-	75.51	5.89
f. Write off of Security Receipts, Unrealized Fee & Expenses	-	**44.81**	**25.36**	-	**237.45**	**0.61**	-	**597.07**	**5.52**
Arcil-Kishore Dalal & Company Trust	-	-	-	-	75.73	-	-	-	-
Arcil-Daewoo Motors India Ltd Trust	-	13.61	-	-	-	-	-	-	-
Arcil-SBPS-022-IV Trust	-	-	23.68	-	-	-	-	-	-
Arcil-AST-001-VIII-Trust	-	-	-	-	-	-	-	177.21	-
Arcil-AST-034-III-Trust	-	-	-	-	-	-	-	163.31	-
Others	-	31.20	1.68	-	161.72	0.61	-	256.54	5.52
g. Impairment of Financial Instruments/ Financial Assets	-	**10.63**	**(0.42)**	-	**4.48**	**0.72**	-	**0.48**	**(0.02)**
Arcil-CPS-IV-Trust	-	-	-	-	4.86	-	-	-	-
Arcil-Retail Loan Portfolio-092-A-Trust	-	-	-	-	1.98	-	-	-	-
Arcil-SBPS 019-I Trust-Scheme B	-	-	-	-	0.51	-	-	-	-
Arcil-AST-001-XI-Trust	-	-	-	-	-	0.50	-	-	-
Arcil-CPS-II-Trust	-	2.86	-	-	-	-	-	1.63	-
Arcil-Trust-2025-008	-	2.92	-	-	-	-	-	-	-
Arcil-Trust-2025-015	-	1.64	-	-	-	-	-	-	-
Arcil-AST-001-X-Trust	-	-	-	-	-	-	-	0.86	-
ARCIL-AST-024-II-TRUST	-	-	-	-	-	-	-	0.25	-
Arcil-Shalimar Wires Industries Limited-IV Trust	-	-	-	-	-	-	-	0.14	-
Arcil-AST-001-XI-Trust	-	-	-	-	-	-	-	0.10	-
Arcil-SBPS-I-Trust	-	-	-	-	-	-	-	0.04	-
Arcil-AST-003-IV-Trust	-	-	-	-	-	-	-		0.05
Others	-	3.21	(0.42)	-	(2.88)	0.22	-	(2.55)	(0.08)
2) Investments made during the period	-	**8,252.92**	**402.60**	-	**7,839.58**	**280.00**	-	**2,416.36**	**183.90**
Arcil-Trust-2025C-005	-	970.00	-	-	-	-	-	-	-
Arcil-Trust-2025C-013	-	1,200.00	-	-	-	-	-	-	-
Arcil-Trust-2025-008	-	896.34	-	-	-	-	-	-	-
Arcil – Trust -2025C – 018	-	1,100.00	-	-	-	-	-	-	-
ARCIL-CPS-IV-TRUST	-	-	-	-	1,750.00	-	-	-	-
Arcil-2024C-003 -Trust	-	-	-	-	1,493.03	-	-	-	-
Arcil-2024C-004 -Trust	-	-	-	-	1,402.99	-	-	-	-
Arcil-AST-090-I-Trust	-	-	-	-	1,250.00	-	-	-	-
Arcil-SBPS-I-Trust	-	-	-	-	-	-	-	779.50	-
Arcil-SBPS 073-I Trust	-	-	-	-	-	-	-	542.00	-
Arcil-CPS-II-Trust	-	-	-	-	-	-	-	520.03	-
Others	-	4,086.58	402.60	-	1,943.56	280.00	-	574.82	183.90
3) Redemption during the period	-	**3,354.66**	**75.57**	-	**3,961.73**	**77.52**	-	**1,896.26**	**20.38**
Arcil-2024C-004 -Trust	-	458.57	-	-	-	-	-	-	-
Arcil-Trust-2025C-013	-	484.58	-	-	-	-	-	-	-
Arcil-2024C-003 -Trust	-	381.47	-	-	-	-	-	-	-
Arcil-CPS-IV-Trust	-	-	-	-	920.72	-	-	-	-
Arcil-CPS-008-II-Trust	-	-	-	-	-	-	-	240.19	-
Arcil-AST-001-VIII-Trust	-	-	-	-	-	-	-	210.16	-
Others	-	2,030.04	75.57	-	3,041.01	77.52	-	1,445.91	20.38
4) Recoverable from trusts managed by Arcil	-			-			-		
a. Fees & expenses	-	**248.09**	**5.00**	-	**101.21**	**4.99**	-	**141.03**	**5.03**
Arcil-CPS-II-Trust	-	49.22	-	-	14.59	-	-	-	-
Arcil-Retail Loan Portfolio-092-A-Trust	-	-	-	-	23.98	-	-	-	-
ARCIL-CPS-IV-TRUST	-	69.49	-	-	58.92	-	-	-	-
Arcil-AST-001-XI-Trust	-	-	-	-	10.02	-	-	-	-
Arcil-Trust-2025-008	-	35.40	-	-	-	-	-	-	-
Arcil-AST-001-X-Trust	-	-	-	-	-	-	-	80.15	-
Arcil-AST-024-II-Trust	-	-	-	-	-	-	-	20.66	-
Arcil-CPS-II-Trust	-	-	-	-	-	-	-	20.07	-
Others	-	93.97	5.00	-	(6.30)	4.99	-	20.14	5.03
b. Investments	-	**16,812.61**	**747.96**	-	**11,790.42**	**501.79**	-	**7,088.70**	**315.83**
Arcil-AST-090-I-Trust	-	-	-	-	1,510.45	-	-	-	-
Arcil-2024C-003 -Trust	-	-	-	-	1,442.34	-	-	-	-
Arcil-2024C-004 -Trust	-	-	-	-	1,381.58	-	-	-	-
Arcil-SBPS-I-Trust	-	-	-	-	-	-	-	1,006.91	-
Arcil-SBPS 073-I Trust	-	-	-	-	-	-	-	766.89	-
Others	-	16,812.61	747.96	-	7,456.04	501.79	-	5,314.90	315.83
5) Dividend Paid/Payable									
Avenue India Resurgence Pte. Ltd	339.85	-	-	566.42	-	-	194.06	-	-

Compensation of key managerial personnel (Short term benefits)*

(Rs. In millions)

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Short term employee benefits #	59.41	60.04	48.17
Post employment benefits#	2.04	2.04	1.69
Other benefits*	11.34	9.96	7.69
Legal Fees & Expenses paid $	-	-	1.71

* Other benefits includes directors sitting fees and commissions.

#The above amount does not include gratuity provision made, as the acturial valuation is done for company as a whole.

45 Contingent Liability and Commitments (to the extent not provided for)

(i) Contingent Liabilities:

(Rs. In millions)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
a) Guarantees excluding financial guarantees			
- bank guarantee furnished by the Company	20.00	20.00	20.00
b) Others			
- Service Tax (Refer Note 1 below)			

Note:1 Directorate General of Central Excise Intelligence (DGCEI) and Office of Principal Commissioner of Service TAX-III has issued show cause notices demanding service tax to the extent of Rs. 561.0.4 millions (apart from interest and penalty amount) relating to the period 16.05.2008 to 30.06.2017. Subsequently, an order has also been issued by Service Tax Commissionarate III, Mumbai in April 2017 demanding an amount of Rs. 4,58.5.1 millions relating to the period 16.05.2008 to 31.03.2015 and the penalty as per order is Rs. 402.40 millions whereas interest liability has not been quantified in the said order. Another order for the period of 01.04.2015 to 30.06.2017 issued by Office of the commissioner of CGST & Central Excise, Mumbai in June 2019 demanding amount of Rs 102.53 millions and the penalty as per order is Rs.10.25 millions whereas interest liability has not been quantified in the said order . Based on the legal opinion, the Company is confident of getting this order quashed and there is not expected to be any liability on the same. The Company has also preferred an appeal in the Tribunal against the order.

Although the Company believes that it has a strong case on the aforesaid matter, however considering the amount and the time involved in the settlement of the case, the Company has deposited an amount of Rs. 561.04 millions "Under Protest" to freeze the interest liability.

No provision in this regard has been made in the accounts since no liability is expected to arise on the Company in this matter. The amount paid has been shown in "Paid to Government Authorites" under Note 12.

(ii) Commitments: (Rs. In millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital and not provided for	1.29	3.57	1.38

46 Table Showing Contractual maturities of Lease Liabilities as at March 31, 2025, March 31, 2024 and March 31, 2023

(Rs. In millions)

Particulars	Amt in Rs 0	Amt in Rs 0	Amt in Rs 0
Not later than one year	3.73	6.79	7.61
Later than one year and not later than five years	3.16	22.97	12.50
Later than five years	-	-	-
Total Undiscounted Lease Liabilities as on 31st March, 2024	-	-	-
Lease Liabilites included in the Statement of Financial Position			
Current	3.34	5.85	5.81
Non Current	2.93	8.03	11.56
Total	-	-	-

47 Intangible assets under development aging schedule

a)For Intangible assets under development (Rs. In millions)

As at March 31, 2025

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress-Software Platform for Wholesale Business	6.76	-	-	-	-
Projects temporarily suspended	Not applicable				

b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan					
	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	-
Intangible assets Under development	Not applicable				

As at March 31, 2024

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress-Software Platform for Wholesale Business	33.00	-	-	-	-
Projects temporarily suspended	Not applicable				

b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan					
	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	-
Intangible assets Under development	Not applicable				

As at March 31, 2023

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress-Software Platform for Wholesale Business	-	-	-	-	-
Projects temporarily suspended	Not applicable				

b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan					
	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	-
Intangible assets Under development	Not applicable				

48 There are various cases/ claims filed against the Company by the Borrower, etc. which have been contested by the Company. As the cases are mostly frivolous and there are remote chances of any liability being devolved on the Company. Hence, no provisions are made in this regard.

49 As on March 31, 2025 , the Company has acquired assets as a Resolution Applicant under Insolvency and Bankruptcy Code, 2016 (IBC). Consequently the disclosure as required in Point 13(vi) and 13(vii) of Reserve Bank of India notification DoR.SIG.FIN.REC.75/26.03.001/2022-23 dated 11 October 2022 is as below:-.

Name of the asset	Date of acquisition	Type o the Asset	Value of the Asset (Rs. In millions)	Sectorwise Distribution	Resolution status
Unimark Remedies Ltd	25-05-2023	Pharmaceutical & Health Care	335.14	100%	Resolution plan submitted by Arcil alongwith Shamrock and Intas, was approved by NCLT in April 2023, post which required contribution was transferred to the Resolution Professional in May 2023. Arcil has executed the assignment agreement with all the lenders. Restructuring agreement, shareholder agreement and other related documents have agreed upon between Shamrock & Arcil and the same are expected to be executed shortly.

50 The Company has operation in single business segment and hence there are no separate reportable segments to be disclosed under Ind As 108 - "Operating Segments"

51 The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provisions as required under any law/ accounting standards for material foreseeable losses on such long term contracts has been made in the books of account. The Company does not have any derivative contracts as at the Balance Sheet date.

52 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

53 The Company holds assets in Security Receipts (SRs) which have been written off but are rigorously being pursued for recovery on an ongoing basis. The Management expects a good amount of realisation in future. This acts as a natural hedge and provides reasonable cover for subsequent deterioration in the value of assets.

54 Additional Regulatory Informations

i) Ratios

Ratios	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
a) Capital to risk-weighted assets ratio (CRAR)	Net Owned Funds	Risk Wighted Assets	90.59%	99.03%	95.82%
b) Tier I CRAR	Tier I Capital	Risk Wighted Assets	0.00%	0.00%	0.00%
c) Tier II CRAR	N.A.	N.A.	N.A.	N.A.	N.A.
d) Liquidity Coverage Ratio	N.A.	N.A.	N.A.	N.A.	N.A.

55 A statement of the migration of financial assets from standard to non-performaing- Not applicable

56 No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

57 The Company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.

58 The Company has no transactions with the companies struck off under the Companies Act, 2013.

59 There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

60 The Company has complied with the number of layers prescribed under the Companies Act, 2013.

61 The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

62 There was no Sale of assets catergorised under Amortized Cost.

63 Utilisation of Borrowed funds and share premium:

(A) During the period, the company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(B) During the period, the Company 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 Company shall:

(i) 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
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

64 Undisclosed Income: The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the nine months 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).

65 The Company has not traded or invested in crypto currency or virtual currency during the current period or previous year.

66 Company is not holding any immovable property whose title deed is not in the name of the company.

67 The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current period or previous year.

68 The Financial Statement is prepared in accordance with Division III to Schedule III of the Companies Act, 2013. In preparing the financial statement, a balance has been maintained between providing excessive detail that may not assist users of financial statement. Accordingly, the line items as per prescribed format are not applicable to compnay and items which a are applicable to company but having nil balance in the current and previous reporting period are not disclosed in this financial statements.

69 Dividends declared by the Company are based on the profit available for distribution. On May 07, 2025, the Board of Directors of the Company have proposed a final dividend in respect of the year ended March 31, 2025 and has been approved by shareholders.

(Rs. In millions)

Proposed Dividends on Equity Shares not recognised:	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Final Dividend for the year Rs. 3.00 per share (Previous year : Rs.1.50 per share)	974.69	487.35	324.90

70 Investor Education and Protection Fund
There is no amount required to be transferred to Investor Education and Protection Fund by the Company (previous year: Nil)

71 There are no subsequent events occuring post balance sheet date which could have a material impact on the financial statements as on March 31, 2025

72 The Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except, that audit trail feature was not enabled at the database level to log any direct data changes. Further, to the extent enabled, audit trail feature has operated throughout the year for all relevant transactions recorded in the accounting software and audit trail feature has not been tampered with. Additionally, the audit trail of prior year(s) has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

73 Reconciliation of audited financial statements and restated financial information

These Restated financial information has been compiled from historic audited financial statement and
(a) there were no change in accounting policies during the year of financial informations;
(b) there were no material amounts which have been adjusted for arriving at the profit / loss of respective years and
(c) there were no material adjustments for re-classification of the income, expenses, assets and liabilities, in order to bring them in line with groupings as per the Audited financial statement of the company and the requirements of the SEBI Regulations.

Material Regroupings

No material regroupings have been made in the Restated standalone Balance Sheet, Restated standalone statement of Profit & Loss (including other comprehensive income), Restated standalone statement of Cashflows. Appropriate regrouping have been made wherever required by reclassification of income, expenses, assets, liabilities and cashflow to bring them in-order to bring them in line with corresponding policies classification as per the financial information of the company for the period ended 31st March 2025, 31st March 2024 and 31st March 2023 prepared in accordance with Schedule III of the Act, requirement of Ind AS-1 "Presentation of Financial information and other applicable Ind AS principles and requirement of SEBI ICDR regulations, as amended.

74 The financial statements were approved for issue by the Board of Directors on July 31, 2025.

75 Disclosures as per the directions of Reserve Bank of India are given in Annexure II.

Asset Reconstruction Company (India) Limited
Notes to Standalone Financial Statements for the year ended March 31, 2025

Annexure II

The following additional disclosures have been made taking into account RBI guidelines in this regards:

a) Names and addresses of the banks/financial institutions from whom financial assets were acquired and the value at which such assets was acquired from each such

Name of the Selling Bank / Finance Institution	Address	Acquisition price as on Mar 31 2025 (Rs in millions)	% to total
Sponsors			
State Bank of India	Mumai Main Branch,2nd Floor,Mumbai Sanchar Marg,Mumbai - 400021	37,833.22	9.93%
Sub-Total (A)		**37,833.22**	**9.93%**
Non-Sponsors			
Indian Overseas Bank	Central Office, 763,Anna Salai,Chennai -600602	18,039.41	4.73%
ICICI Bank Ltd.	ICICI Bank Tower, North East Wing,2nd floor,Bandra Kurla Complex, Bandra (East),Mumbai - 400051	60,953.21	16.00%
IDBI Ltd.	IDBI Tower, 17th Floor, WTC Complex, Cuffe Parade, Mumbai-400005	29,414.05	7.72%
Punjab National Bank	PNB Pragati Tower,Plot No. C-9, G-Block,Bandra Kurla Complex,Mumbai - 400051	14,865.27	3.90%
Bank of India	Star India,C-5, 'G' Block,Bandra Kurla Complex, Bandra (East),Mumbai - 400051	12,581.39	3.30%
Indian Bank	254-260 Avvai Shanmugam Salai,Royapettah,Raghunath Peth,Chennai -600014	9,369.65	2.46%
IFCI Ltd.	8th & 9th floor, Earnest House,Nariman Point,Mumbai - 400021	4,787.75	1.26%
Canara Bank	Integrated Treasury Wing,6th Floor, A Wing, Canara Bank Building,C-14, G Block, Bandra Kurla Complex,Mumbai - 400051	4,768.67	1.25%
Bank of Baroda	Baroda Sun Tower,C-34, 'G' Block,Bandra Kurla Complex, Bandra (East),Mumbai - 400051	10,895.53	2.86%
Dewan Housing Finance Limited	10th Floor, TCG Financial Centre, BKC Road, Bandra Kurla Complex, Mumbai - 400098	3,359.50	0.88%
EXIM Bank	Post Bag No. 16100, Centre One, 21st Floor, World Trade Centre, Cuffe Parade, Mumbai-400005	3,356.14	0.88%
Karnataka Bank	Mahaveera Circle,Kankanady,Mangalore - 575002	2,861.70	0.75%
Bank of Maharashtra	Apeejay House,1st Floor, 130, Dr. V. B. Gandhi Marg, Fort,Mumbai - 400001	2,546.57	0.67%
Union Bank of India	Union Bank Bhavan,5th Floor, Central Office,Nariman Point, 239, Vidhan Bhavan Marg,Mumbai - 400021	6,867.46	1.80%
South Indian Bank Ltd.	20, Sambava Chambers, Sir P.M. Road, Fort, Mumbai-400050	8,706.71	2.29%
City Union Bank Limited	149, TSR Big Street, Kumbakonam, 612001	2,175.50	0.57%
JP Morgan Chase Bank, N.A	9th Floor, Mafatlal Centre, Nariman Point, Mumbai-400021	1,902.10	0.50%
Axis Bank Limited	Maker Towers F, 13th Floor, Cuffe Parade, Mumbai-400005	2,757.08	0.72%
Central Bank of India	5th Floor, Chander Mukhi, Nariman Point,Mumbai - 400021	2,613.07	0.69%
IDFC First Bank Limited	Ramon House, H.T. Parekh Marg, 169, Backbay Reclamation, Mumbai-400020	2,295.65	0.60%
Karur Vysya Bank	Appa Saheb Marathe Marg,Prabhadevi,Mumbai - 400025	1,520.25	0.40%
UCO Bank	Head Office, 10, BTM Sarani,Kolkata - 700001	1,426.20	0.37%
Federal Bank	Federal Tower, Aluva-1 Kerala - 683101	1,730.85	0.45%
DCB Bank	Raheja Chambers, 9th Floor, Mumbai-400023	1,895.13	0.50%
India Infrastructure Finance Company Ltd	8Th Floor, Hindustan Times House, 18 & 20, Kasturba Gandhi Marg, New Delhi -110001	2,307.20	0.61%
Bajaj Finance Ltd	Akrudi, Pune - 411035	1,716.73	0.45%
Shriram Housing Finance Ltd	Wockhardt Towers East Wing, Bandra Kurla Complex, Mumbai - 400051	961.50	0.25%
Punjab & Sind Bank	21, Bank House, 1st Floor, Rajendra Place,New Delhi - 110008	709.96	0.19%
Life Insurance Corporation of India	Yogakshema' , Jeevan Bima Marg, Mumbai-400021	632.46	0.17%
HDFC Ltd.	Ramon House,7th Floor, H.T. Parekh Marg,169, Backbay Reclamation, Churchgate,Mumbai - 400020	946.13	0.25%
Industrial Investment Bank of India Ltd .	Ernest House, 11th floor, Nariman Point, Mumbai - 400021	370.18	0.10%
STANDARED CHARTERED BANK	Mezzanine and Alternative Solutions,Standard Chartered Private Equity Advisory (India) Pvt. Ltd;Crescenzo, 7/F, C-38/39, G-Block, Bandra Kurla Complex,Mumbai - 400051	593.20	0.16%
Catholic Syrian bank	CSB Bhavan, Head Office: P.B No. 502, St. Mary's College Road, Thrissur - 680 020, Kerala, India	286.50	0.08%
HDFC Bank Ltd.	Peninsula Business Park,Tower-B, 5th Floor,Senapati Bapat Marg, Mumbai - 400013	1,364.00	0.36%
Fullerton India Home Finance Company Ltd	Floor No. 5 & 6, B Wing, Supreme IT Park, Supreme City, Powai, Mumbai, Maharashtra 400076	262.81	0.07%
The Administrator of the Specified Undertaking of the Unit Trust of India	Bandra Kurla Complex, Bandra (East), Mumbai-400051	212.78	0.06%
Centurion Bank of Punjab	1201, Raheja Centre, Free Press Journal Marg, Nariman Point, Mumbai-400021	116.90	0.03%
The Bank of Rajasthan Ltd.	Mittal Tower, 'C' wing, Ground Floor, Nariman Point, Mumbai-400021	115.00	0.03%
National Housing Bank	Core 5 - A, India Habitat Center, Lodhi Road, New Delhi-110003	100.00	0.03%
SICOM Ltd	The Solitiar Corporate Park, 6th Floor,Guru Hargovind Road, Building No. 4,Chakala, Andheri (East),Mumbai - 400093	159.73	0.04%
Phoenix ARC Pvt. Ltd.	158, 5th Floor, Dani Corporate Park, CST Road, MMRDA Area, Kalina, Santacruz East, Mumbai, Maharashtra 400098	80.00	0.02%
SIDBI	SME Development Centre,Plot –C-11 G Block, Bharat Nagar,Bandra Kurla Complex, Bandra (East),Mumbai - 400051	72.20	0.02%
Tourism Finance Corporation of India	4th Floor,Tower-1,NBCC Plaza, sec-V,Pushp Vihar, Saket, New Delhi India	60.00	0.02%
Citibank NA	8th Floor, First International Financial Centre C-54 & 55, G Block Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051	59.78	0.02%

Stressed Assets Stabilisation Fund	Industrial Development Bank Of India Ltd, 10th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005	56.87	0.01%
India Infoline Finance Ltd.	12A-10, 13th Floor, Parinee Crescenzo, C-38 and C-39, G Block, behind MCA, Bandra Kurla Complex, Bandra East, Mumbai-400051	46.80	0.01%
IndusInd Bank	701, Solitaire Corporate Park, Andheri (East) , Mumbai-400093	3,594.15	0.94%
JAMMU & KASHMIR BANK	M A Road,Srinagar 190 001	1,488.45	0.39%
Abu Dhabi Commercial Bank	75-B, Rehmat Manzil,Veer Nariman Road,Mumbai - 400020	35.50	0.01%
UTI Trustee Company Private Ltd.	UTI Tower , 'GN' Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051	22.26	0.01%
Bank of Bahrain & Kuwait B.S.C.	Jolly Maker Chamber,2, Ground Floor,Nariman Point,Mumbai - 400021	14.70	0.00%
Deutsche Postbank Home Finance Ltd	12 - C & 12 - D, 2nd Floor Vasant Square Mall,Plot - A,Sector - B, Pocket - V,Vasant Kunj,New Delhi - 110070.	11.80	0.00%
Bank of Tokyo-Mitsubishi UFJ, Ltd.	Ground Floor, Jeevan Prakash, Sir P M Road Fort, Mumbai-400001	10.50	0.00%
National Insurance Company Ltd.	3, Middleton Street, Kolkata- 700 071	9.42	0.00%
General Insurance Corporation	"Suraksha", 170. J. Tata Road, Churchgate, Mumbai – 400 020	6.25	0.00%
India Infoline Housing Finance Ltd.	12A-10, 13th Floor,Parinee Crescenzo, C-38 and C-39, G Block, behind MCA, Bandra Kurla Complex, Bandra East, Mumbai-400051	3.60	0.00%
Oriental Insurance Company Ltd.	A – 25/27, Asaf Ali Road,New Delhi – 110 002	2.08	0.00%
Bajaj Housing Finance Ltd.	2nd Floor, No 46, 20-2, 12th Main Rd, Opp Navarang Theatre, 1st Block, Rajajinagar, Bengaluru, Karnataka 560010	324.66	0.09%
Fullerton India Housing Finance Pvt	Floor No. 5 & 6, B Wing, Supreme IT Park, Supreme City, Powai, Mumbai, Maharashtra 400076	153.42	0.04%
Indostar Capital Finance Ltd	E Wing, 3rd Floor, Unit No.305 Andheri, Andheri - Ghatkopar Rd, Chakala, Andheri East, Mumbai, Maharashtra 400093	268.08	0.07%
L&T Finance Limited	Brindavan, Plot No. 177, C.S.T Road, Kalina, Santacruz (East), Mumbai Mumbai City MH 400098	48,900.93	12.83%
Xander Finance Pvt. Ltd.	10th floor, 5th Avenue, Maker maxity, Bandra Kurla Complex Rd, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra 400051	1,050.00	0.28%
Deutsche Bank	Deutsche Bank AG, Filiale Mumbai, The Capital, 14th Floor, C-70, G Block, 400 051 Mumbai, India	116.20	0.03%
RBL Bank	RBL Bank Limited, One World Centre, 20th Floor, Tower 2B, 841, Senapati Bapat Marg, Lower Parel (West), Next to Prabhadevi Station (W), Mumbai – 400013.	690.89	0.18%
IIFL Finance Limited	IIFL Finance Limited, 802, 8th Floor, Hubtown Solaris, N. S. Phadke Marg, Vijay Nagar, Andheri East, Mumbai – 400 069	853.71	0.22%
Poonawalla Fincorp Limited	Park Center, 24 Park Street 4th Floor, Kolkata - 700016.	1,404.25	0.37%
DBS Bank India Ltd. (DBIL)	19th Floor, Express Towers, Nariman Point, Mumbai 400 021	1,185.46	0.31%
ICICI Home Finance Ltd. (IHFCL)	Andheri - Kurla Rd, S B Singh Colony, J B Nagar, Andheri East, Mumbai, Maharashtra 400059	344.85	0.09%
Aye Finance Private Limited	7th Floor, Unitech Commercial Tower 2 Sector 45, Gurugram 122 003 Haryana	872.99	0.23%
Hinduja Leyland	Hinduja Leyland Finance Limited, No. 27 A Developed Industrial Estate, Guindy, Chennai – 600032	8,042.56	2.11%
Yes Bank Limited	Indiabulls Finance Center,Tower -II,Senapati Bapata Marg,Elphinstone Road,,Mumbai-400013	236.70	0.06%
ECL Finance Limited	Tower 3, Wing 'B', Kohinoor City Mall,Kohinoor City, Kirol Road,Kurla (West), Mumbai 400070	3,660.33	0.96%
Edelweiss Asset Reconstruction Co. Ltd.	Edelwiess House, Windsor Ln, Kolivery Village, MMRDA Area, Kalina, Bandra East, Mumbai, Maharashtra 400098	3,807.40	1.00%
INCRED FINANCIAL SERVICES LIMITED	Plot No. C, The Capital, Unit No. 1203, 12th floor, B Wing, 70, G Block Rd, Bandra Kurla Complex, Mumbai, Maharashtra 400051	1,168.10	0.31%
Assets Care & Reconstruction Enterp	Assets Care & Reconstruction Enterprise Ltd. Unit No. 502, C Wing, One BKC, G Block, Bandra Kurla Complex, Mumbai – 400 051	497.61	0.13%
Tumkur Grain Merchant Co-operative Bank	Opposite Government College,B H Road, Tumkur	919.60	0.24%
Indiabulls Housing Finance Ltd.	One International Center, Tower – 1,S. B. Marg, Elphinstone (W,Mumbai, Maharashtra	1,026.83	0.27%
Indiabulls Commercial Credit Ltd	One International Center, Tower – 1,S. B. Marg, Elphinstone (W,Mumbai, Maharashtra	73.21	0.02%
L&T Infra Credit Limited	Brindavan, Plot No. 177, C.S.T Road,Kalina, Santacruz (East),Mumbai- 400098	2,200.00	0.58%
Pegasus Assets Reconstruction Pvt.	55-56, 5th Floor, Free Press House, Nariman Point, Mumbai, 400021	326.30	0.09%
Indiabulls Asset Reconstruction Com	Indiabulls Finance Centre, Tower – 1, 11th Floor, Senapati Bapat Marg, Elphinstone (West, Mumbai, Maharashtra 400013	200.00	0.05%
CFM Asset Reconstruction Company Lt	1st Flr, Wakefield House, Sprott Road,, Ballard Estate, Mumbai/Maharashtra 400038. (022) 40055280	1,033.20	0.27%

Manappuram Home Finance Ltd	Manappuram Home Finance Limited, Corp Office: Kanakia Wall Street, A-Wing, 3rd Floor, Unit No. 301-315, Andheri-Kurla Road, Andheri (East), Mumbai-400 093, Maharashtra	274.39	0.07%
Consortium of Lenders		300.00	0.08%
Karur Vysya Bank	Central Office | The Karur Vysya Bank Ltd No. 20, Erode Road | Vadivel Nagar | L.N.S. Karur-639002	16.20	0.00%
VSJ Investments Pvt. Ltd	G 12, Ground Floor, Raheja Centre, 214 Free Press Journal Marg, Nariman Point Mumbai Mumbai City MH 400021 IN.	1,250.00	0.33%
Saraswat Co-operative Bank Ltd	Ekanath Thakur Bhavan 953, Appasaheb Marathe Marg, Prabhadevi. Mumbai- 400 025	660.90	0.17%
Muthoot Finance Limited	4th Floor, Corporate office, Banerji road, Ernakulam	7,008.00	1.84%
Equitas Small Finance Bank Ltd.	4th Floor, Phase II, Spencer Plaza, Anna Salai, Chennai, 6000002	1,181.87	0.31%
Bandhan Bank Kolkata	Floors 12-14, Adventz Infinity@5, BN 5, Sector V, Salt Lake City, Kolkata 700091	2,896.02	0.76%
Grihum Housing Finance Ltd	Office Unit No. 806 & 807, 8th Floor, A - Wing, 215 Atrium, Chakala, Andheri Kurla Road, Andheri (East), Mumbai – 400069	497.63	0.13%
Cholamandalam Investment and Finance Company Limited	Cholamandalam Investment and Finance Company Limited (CIFCL), Chola Crest, C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai - 600032.	97.07	0.03%
Kotak Mahindra Investment Ltd	27BKC, C 27, G Block BKC, Bandra Kurla Complex, Bandra (E), Mumbai - 400051, India	192.79	0.05%
Saman Finserve Ltd	18th floor One International Centre, Sammaan Capital Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400013	4,348.00	1.14%
Sammaan Capital Ltd	18th floor One International Centre, Sammaan Capital Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400013	10,432.30	2.74%
Navi Finserv Limited and Piramal Capital & Housing Finance Limited	2nd Floor, Vaishnavi Tech Square, Iballur Village, Begur Hobli, Bengaluru, Karnataka, India - 56010	11.81	0.00%
Navi Finserv Limited	2nd Floor, Vaishnavi Tech Square, Iballur Village, Begur Hobli, Bengaluru, Karnataka, India - 56010	21.83	0.01%
Sewa Grih Rin Ltd	8th Floor, Tower C, Building No. 8, DLF Cyber City, Gurugram - 122002	113.44	0.03%
Ashv Finance Limited	12B, 3rd Floor, Techniplex II, Off Veer Savarkar Flyover, Goregaon West, Mumbai, Maharashtra 400062.	295.30	0.08%
Bhanix Finance and Investment Limited	Indiana Business Centre, 5th Floor, “B” Wing, Makwana Road, Off M. Vassanji Road, Marol Naka, Andheri (E), Mumbai – 400059	214.90	0.06%
SK Finance Ltd	Adarsh Plaza Building, Khasa Kothi Circle, Jaipur - 302001, Rajasthan, India.	1,761.10	0.46%
SBFC Finance Ltd	103, 1st Floor, C&B Square,Sangam Complex, Andheri Kurla Road,Village Chakala, Andheri (East), Mumbai - 400059	300.40	0.08%
Piramal Capital & Housing Finance Ltd	601 6th Floor, Amiti Building, Agastya Corporate Park, Kamani Junction, Opp. Fire Station, LBS Marg, Kurla (W) Mumbai MH 400070.	2,276.80	0.60%
Ujjivan Small Finance Bank	Grape Garden, 3rd A Cross, 18th Main, 6th Block, Koramangala, Bengaluru - 560095, India	342.60	0.09%
Kogta Financial (India) Limited	S-1, Gopal Bari, Near Ajmer Pulia, Opp. Metro Pillar No. 143, Jaipur-302001	113.10	0.03%
Jana Small Finance Bank Ltd	The Fairway Business Park, First Floor, Survey No.10/1, 11/2 & 12/2B, Off Domlur, Koramangala Inner Ring Road, Next to EGL Business Park Challaghatta, Bengaluru - 560071.	363.20	0.10%
Vastu Housing Finance Corporation Ltd	Unit 203 & 204, 2nd Floor, A Wing, Navbharat Estate, Zakaria Bunder Road, Sewri (West), Mumbai – 400015.	418.50	0.11%
Muthoot Housing Finance Company Limited	Parinee Crescenzo, Kautilya Bhawan-2,The 8th floor, Opp. MCA, G Block,BKC, Bandra Kurla Complex,Bandra East, Mumbai 400051	313.19	0.08%
Sub-Total (B)		**3,43,176.85**	**90.07%**
Total (A+B)		**3,81,010.06**	**100.00%**

b) Dispersion of various financial assets Industry & Sponsor wise

Industry	**Acquisition Price as on March 31, 2025**	
	Amount (Rs in millions)	**% to total**
Sponsors		
Power	8,126.95	2.13%
Textiles, Leather & Garments	4,176.74	1.10%
Metal	2,914.80	0.77%
Heavy Industry / Engineering	2,854.61	0.75%
Chemicals and Ago-chemicals	2,626.33	0.69%
Miscellaneous	2,298.96	0.60%
Cement	2,182.37	0.57%
Agri and Food products	2,152.57	0.56%
Road Project	1,610.60	0.42%
Retail HL / LAP / Mortgage	1,505.77	0.40%
Auto & Anciliary	1,440.52	0.38%
Paper and Packaging	1,305.72	0.34%
Hospitality	987.35	0.26%
EPC Infrastructure	951.62	0.25%
Real Estate	842.25	0.22%
Pharmaceuticals and Healthcare	840.57	0.22%
Construction materials	294.90	0.08%
Education Institution	266.48	0.07%
Others	454.13	0.12%
Subtotal (A)	**37,833.22**	**9.93%**

Non Sponsor		
Real Estate	76,048.54	19.96%
Metal	36,143.40	9.49%
Retail HL / LAP / Mortgage	34,451.95	9.04%
Textiles, Leather & Garments	21,487.51	5.64%
Chemicals and Ago-chemicals	20,209.29	5.30%
Road Project	19,205.35	5.04%
Power	16,794.97	4.41%
Heavy Industry / Engineering	15,175.09	3.98%
Hospitality	10,564.14	2.77%
EPC Infrastructure	8,409.85	2.21%
Retail - Mix / Others	10,640.51	2.79%
Retail Vehicle Portfolio	10,032.16	2.63%
Agri and Food products	9,016.41	2.37%
Retail - Gold	7,008.00	1.84%
Paper and Packaging	6,727.20	1.77%
Auto & Anciliary	6,470.78	1.70%
Consumer Durables	6,039.21	1.59%
Miscellaneous	6,299.86	1.65%
Construction materials	3,483.89	0.91%
Pharmaceuticals and Healthcare	3,215.03	0.84%
Education Institution	2,995.18	0.79%
Cement	2,471.47	0.65%
Gems and Jewellery	2,112.60	0.55%
SME Portfolio - Home, LAP & Others	1,806.29	0.47%
Others	6,368.16	1.67%
Subtotal (B)	**3,43,176.85**	**90.07%**
Subtotal (A) + (B)	**3,81,010.07**	**100.00%**

c) The above table (b) has been prepared by management and the same has been relied upon by the auditors.

d) The acquisition price in the tables (a) and (b) above includes financial assets acquired till March 31, 2025 including financial assets resolved till date.

e)

Status of financial assets acquired in the Trusts set up by Arcil as on March 31, 2025 as required as per RBI Notification No. DBNS.PD(SC/RC).8/CGM(ASR) dated April 21, 2010

(Rs in millions)

Particulars	**Amount**
a. Value of financial assets outstanding for realisation as at April 01, 2024	1,30,354.71
b. Value of financial assets acquired during the financial year 2024-2025	39,758.61
c. Value of financial assets realised during the financial year 2024-2025 (Note 1)	25,318.09
d. Value of financial assets Written-off / back during the financial year 2024-2025	972.89
e. Value of financial assets outstanding for realisation as at March 31, 2025 (a+b-c-d)	1,43,822.35
f. Value of land and / or building acquired in ordinary course of business of reconstruction of assets	Nil

Note 1: Surplus realisation, if any, over & above the value of financial assets has been adjusted in (c) above

f) Status of Security Receipts (SRs) issued by the Trusts set up by Arcil as on March 31, 2025;

(Rs in millions)

Particulars	**Value of SRs redeemed fully during the financial year 2024-2025**	**Value of SRs redeemed partly during the financial year 2024-2025**	**Total value**
a. SRs outstanding as on April 01, 2024	36.21	1,52,264.10	1,52,300.31
b. Movement during the year -Partially to fully redeemed	4,714.38	(4,714.38)	-
c. SRs issued during the financial year 2024-25	-	39,758.61	39,758.61
d. SRs redeemed during the financial year 2024-25	4,706.67	17,526.34	22,233.01
e. SRs written-off during the financial year 2024-25	-	1,300.22	1,300.22
f. SRs Outstanding as on Mar 31, 2025 # (a+b+c-d-e)	43.93	1,68,481.77	1,68,525.70

Includes SRs which could not be redeemed on completion of maximum resolution period of Rs. 697,115.53 lakhs.

g) Additional disclosures as required in circular no. DNBS (PD) CC. No. 41/ SCRC / 26.03.001/ 2014-2015 dated August 05, 2014 for the Assets acquired after the aforesaid dates;

1. Details of Acquisition value of Assets more than the book value along with the basis of their valuation after August 05, 2014 - Nil.

2. Details of Assets of the Trusts at the Trusts level disposed off during the year at substantial discount (more than 20% of valuation as at the previous year end) and the

(Rs in millions)

Acquistion Date	**Trust Name**	**Outstanding SR**	**Arcil share in outstanding SR**	**Reason**
29-Dec-16	Arcil-AST-032-I-Trust	-	-	Write off i.e.>8 years
29-Dec-16	Arcil-AST-004-I Trust	0.13	0.02	Write off i.e.>8 years
30-Mar-17	Arcil-AST-015-I-Trust	0.16	0.02	Write off i.e.>8 years
31-Mar-17	Arcil-AST-001-VII-Trust	-	-	Write off i.e.>8 years
27-Jun-16	Arcil-CPS-041-I-Trust	0.06	0.06	Write off i.e.>8 years
30-Nov-16	Arcil-SBPS-042-I-Trust	0.24	0.24	Write off i.e.>8 years
30-Dec-16	Arcil-SBPS-022-IV Trust	117.12	23.42	Write off i.e.>8 years
30-Mar-17	Arcil-Retail Port-045-A-T	32.13	4.82	Write off i.e.>8 years
29-Mar-17	Arcil-Retail Port-044-A-T	0.12	0.12	Write off i.e.>8 years
30-Mar-17	Arcil-Retail Port-046-A-T	0.30	0.06	Write off i.e.>8 years
31-Mar-17	Arcil-Retail Port-047-A-T	21.29	3.73	Write off i.e.>8 years
25-Mar-22	Arcil-Retail Loan Portfolio-029-B-Trust	156.61	156.61	Realisation last FY

Asset Reconstruction Company (India) Limited
Notes to Standalone Financial Statements for the year ended March 31, 2025

3. Details of Assets where the value of SRs has declined more than 20% below the acquisition value.

Trust / Scheme / Series Name (Details of Assets)	Reduction in value of SRs in %	Total SR Issued	Arcil's share in SR Issued
Arcil-AST-002-IV-Trust	25%	32,076	4,811
Arcil-AST-003-IV-Trust***	100%	4,000	1,000
Arcil-AST-043-II-Trust*	100%	1,301	195
Arcil-AST-017-II-Trust*	100%	575	86
Arcil-AST-017-III-Trust***	50%	3,150	473
Arcil-AST-018-I-Trust*	100%	711	711
Arcil-AST-001-IX-Trust*	100%	1,805	1,805
Arcil-AST-001-X-Trust***	93%	9,468	4,734
Arcil-AST-001-XI-Trust**	50%	1,586	793
Arcil-AST-017-V-Trust*	100%	950	950
Arcil-AST-024-I-Trust**	80%	472	472
Arcil-AST-026-I-Trust**	87%	1,112	1,112
ARCIL-AST-024-II-TRUST	96%	6,500	6,500
Arcil-AST-RA-001 Trust	25%	3,000	3,000
Arcil-CPS-015-II-Trust***	75%	3,000	450
Arcil-CPS-018-I-Trust*	100%	8,309	1,246
Arcil-CPS-062-I-Trust	25%	61,000	9,150
Arcil-SBPS-008-II-Trust	26%	22,632	3,395
Arcil-SBPS-008-IV-Trust	31%	6,800	1,020
Arcil-SBPS-I-Trust	25%	7,795	7,795
ARCIL-TRUST-2024-001	25%	14,000	2,800
Arcil-Retail Port-049-A-Trust*	100%	468	468
Arcil-Retail Port-050-A-Trust*	100%	36	36
Arcil Retail Loan Portfolio-053-A-Trust**	50%	2,628	2,628
Arcil-Retail Loan Portfolio-061-A-Trust	50%	1,534	1,534
Arcil-Retail Loan Portfolio-022-A-Trust	73%	3,847	769
Arcil-Retail Loan Portfolio-078-B-Trust	25%	19,212	2,882
Arcil-Retail Loan Portfolio-078-C-Trust	25%	26,717	4,008
Arcil-Trust-2025-005 Class B	21%	3,640	546

In the above table does not include write off cases as it it already been disclosed under note (g)(2)

*Resolution completed
**In the 6th years of resolution period
***In the 7th years of resolution period

h) Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109 /22.10.106/2019- 20 dated 13 March 2020 pertaining to Asset Classification as per RBI Income

(Rs in millions)

Financial Year	Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
	1	2	3	4	(5)=(3)-(4)	6	(7) = (4)-(6)
N.A.							

i) As specified in the Master Circular, disclosure pursuant to Reserve Bank of India notification DOR.NBFC(ARC) CC. No. 9/26.03.001/2020-21 dated 16 July 2020 pertaining to Fair Practices Code for Asset

Name of The Director	Name of outsourced agency	Amount
N.A.	N.A.	Nil

j) As on 31-Mar-2025, the Company has acquired assets as a Resolution Applicant under Insolvency and Bankruptcy Code, 2016 (IBC). Consequently the disclosure as required in Point

Name of the asset	Date of acquisition	Type o the Asset	Value of the Asset	Sectorwise Distribution	Resolution status
Unimark Remedies Ltd	25-05-2023	Pharmaceutical & Health Care	335.14	100%	Resolution plan submitted by Arcil alongwith Shamrock and Intas, was approved by NCLT in April 2023, post which required contribution was transferred to the Resolution Professional in May 2023. Arcil has executed the assignment agreement with all the lenders. Restructuring agreement, shareholder agreement and other related documents have agreed upon between Shamrock & Arcil and the same are expected to be executed shortly.

k) Disclosure pursuant to Reserve Bank of India notification DOR.ACC.REC.No.104/21.07.001/2022-23 dated 20 February 2023 pertaining to Implementation of Indian Accounting Standards (Ind AS):

(Rs in millions)

Particulars	As at March 31, 2025	As at March 31, 2024
A. Outstanding amount of unrealised management fee	821.21	796.51
Out of the above, amount outstanding for:		
B. (a) Amounts where the net asset value of the security receipts has fallen below 50 per cent of the face value	0.61	11.76
C. (b) Other amounts unrealised for:	-	-
(i) More than 180 days but upto 1 year	79.00	98.29
(ii) More than 1 year but upto 3 years	191.63	5.73
(iii) More than 3 years	16.74	13.94
D. Allowances held for unrealised management fee (on B & C)	41.49	10.93
E. Net unrealised management fee receivable(B+C-D)	246.49	118.78

Examination Report of Independent Auditor on the Restated Consolidated Financial Information.

The Board of Directors
Asset Reconstruction Company (India) Limited
The Ruby, 10th Floor, 29, Senapati Bapat Marg,
Dadar (West), Mumbai 400 028

Dear Sirs/ Madams,

1. We have examined the Restated Consolidated Financial Information of Asset Reconstruction Company (India) Limited (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group") and its associates comprising the Restated Consolidated Balance Sheet as at March 31, 2025, March 31, 2024 and March 31, 2023 and Restated Consolidated Statement of Profits and Loss, Restated Consolidated Statement of Cash Flow, Restated Consolidated Statement of Changes in Equity and Notes to the Restated Consolidated Financial Information which includes the Statement of Material Accounting Policies and other explanatory information for years ended March 31, 2025, March 31, 2024 and March 31, 2023 (collectively, the "Restated Consolidated Financial Information") annexed to this report for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed Initial Public Offer of equity shares of face value of Rs. 10 each ("Offer"). The Restated Consolidated Financial Information, which have been approved by the board of directors of the Company (the "Board of Directors") at their meeting held on 31 July, 2025 and have been prepared by the Company in accordance with the requirements of:

   a) the Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

   b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"); and

   c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2. The Company's management are responsible for the preparation of Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India ("SEBI"), BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") where the equity shares of the Company are proposed to be listed ("Stock Exchanges"), in connection with the Offer. The Restated Consolidated Financial Information have been prepared by the management of the Company in accordance with the basis of preparation stated in Note 2 to Notes forming part of the Restated Consolidated Financial Information. The management of the Company is responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Board of Directors of the Company are also responsible for identifying and ensuring that the Company complies with the Act, the SEBI ICDR Regulations and the Guidance Note.

3. We have examined the Restated Consolidated Financial Information taking into consideration:

   a) the terms of reference and our engagement agreed with you vide our engagement letter dated 30 May, 2025, in connection with the Offer;

   b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements as stated in the Code of Ethics issued by the ICAI;

   c) the concepts of test check and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and

   d) the requirements of Section 26 of the Act and the SEBI ICDR Regulations.

   Our work was performed solely to assist you in meeting your responsibilities in relation to compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the Offer.

4. The Restated Consolidated Financial Information have been compiled by the management of the Company from the audited financial statements of the Group as at and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023 prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, and have been approved by the Board of Directors at their meeting held on 31 July, 2025.

5. For the purpose of our examination, we have relied on:

   a) Auditor's report issued by us dated May 07, 2025 on the financial statements of the Group as at and for the year ended March 31, 2025 as referred in Para 4 above. The audited financial statements of the Group for the year ended March 31, 2025 didn't include any Emphasis of Matter Paragraph.

   b) Auditor's reports issued by K. S. Aiyar & Co ("Previous Auditor") dated May 29, 2024 on the financial statements of the Group as at and for the year ended March 31, 2024, as referred in Para 4 above. The audited financial statements of the Group for the year ended March 31, 2024 didn't include any Emphasis of Matter Paragraph.

   c) Auditor's reports issued by the Previous Auditor dated May 22, 2023 on the financial statements of the Group as at and for the year ended March 31, 2023, as referred in Para 4 above. The audited financial statements of the Group for the year ended March 31, 2023 didn't include any Emphasis of Matter Paragraph.

6. Based on the above and according to the information and explanations given to us, we report that:

   i) Restated Consolidated Financial Information have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings/ reclassifications retrospectively in the financial years as at and for the years March 31, 2023 and March 31, 2024, to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2025, as more fully described in

      Note 71 to the Restated Consolidated Financial Information (Restated consolidated Statement of Adjustments to Audited Financial Statements);

   ii) there are no qualifications in the auditor's reports on the audited financial statements of the Group as at and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023 which require any adjustments to the Restated Consolidated Financial Information; and

   iii) the Restated Consolidated Financial Information have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note.

7. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 4 above.

8. This report should not in any way be construed as a reissuance or re-dating of any of the previous auditor's reports issued by us or by the Previous Auditor, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of this report.

10. Our report is intended solely for use of the Board of Directors and for inclusion in the DRHP to be filed with the SEBI and the Stock Exchanges, as applicable in connection with the Offer. Our report should not be used, referred to or distributed for any other purpose without prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or in whose hands it may come without our prior consent in writing.

For M S K A & Associates
Chartered Accountants
Firm Registration Number: 105047W

Swapnil Kale
Partner
Membership No. 117812
UDIN : 25117812BMNUXX1705

Place: Mumbai
Date: 31 July, 2025

Asset Reconstruction Company (India) Limited
Restated Consolidated Balance Sheet as at March 31, 2025

(Rs. In Millions)

	Particulars	Note	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	Assets				
1	**Financial assets**				
(a)	Cash and Cash Equivalents	3	1,832.53	3,592.64	2,442.73
(b)	Bank Balance other than Cash and Cash Equivalents	4	7,137.79	6,163.65	3,484.45
(c)	Trade Receivables	5	538.80	623.11	496.85
(d)	Loans	6	21,586.47	14,483.88	7,924.55
(e)	Investments	7	11,215.95	9,137.54	10,901.10
(f)	Other Financial Assets	8	197.95	191.70	91.66
	Total Financial assets (I)		**42,509.49**	**34,192.51**	**25,341.34**
2	**Non-financial assets**				
(a)	Current Tax Assets (Net)		434.06	1,363.31	1,580.46
(b)	Property, Plant and Equipment	10	354.61	369.97	378.43
(c)	Other Intangible Assets	11	37.50	3.19	1.32
(d)	Intangible Assets Under Development	12	6.76	33.00	-
(e)	Other Non-Financial Assets	13	617.43	604.91	594.21
	Total Non-financial assets (II)		**1,450.36**	**2,374.38**	**2,554.42**
	Total Assets (I + II)		**43,959.85**	**36,566.89**	**27,895.76**
	Liabilities and Equity				
	Liabilities				
1	**Financial liabilities**				
(a)	Payables	14			
	(i) total outstanding dues of micro enterprises and small enterprises		3.41	2.00	0.17
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		15.13	12.23	3.23
(b)	Borrowings (other than Debt securities)	15	3,059.86	1,499.47	1,180.13
(c)	Security Receipts		6,254.51	3,316.41	978.39
(d)	Other Financial Liabilities	16	6,286.49	6,729.49	2,032.13
	Total Financial liabilities (III)		**15,619.40**	**11,559.60**	**4,194.05**
2	**Non-financial liabilities**				
(a)	Provisions	17	421.53	404.74	435.08
(b)	Deferred Tax Liabilities (Net)	9	456.55	106.24	181.64
(c)	Other Non-Financial Liabilities	18	830.96	231.19	643.44
	Total Non-financial liabilities (IV)		**1,709.04**	**742.16**	**1,260.15**
3	**Equity**				
(a)	Equity Share Capital	19	3,248.97	3,248.97	3,248.97
(b)	Other Equity				
	Company	19A	30,931.13	27,512.42	24,867.31
	Non Controling Interest	19A	(7,548.69)	(6,496.25)	(5,674.72)
	Total Equity (V)		**26,631.41**	**24,265.14**	**22,441.56**
	Total Liabilities and Equity (III+ IV + V)		**43,959.85**	**36,566.89**	**27,895.76**

Material accounting policies
The above balance sheet should be read in conjunction with the accompanying notes 1-76

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number : 105047W

Swapnil Kale
Partner
Membership Number : 117812

Place: Mumbai
Date: July 31, 2025

For Asset Reconstruction Company (India) Limited

Narayanan Subramaniam
Chairman
DIN: 00166621

Pallav Mohapatra
CEO & MD
DIN: 02300885

PRAMOD KUMAR GUPTA

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Date: 2025.07.31 15:45:31 +05'30'

Pramod Gupta
Chief Financial Officer

Ameet Kela
Company Secretary

Place: Mumbai
Date: July 31, 2025

Asset Reconstruction Company (India) Limited

Restated Consolidated Statement of Profit and Loss for the year ended March 31, 2025

(Rs. In Millions)

	Particulars	Note	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
	Revenue from Operations				
(i)	Fees and Other Income	20	1,275.95	1,466.75	1,644.29
(ii)	Other Operating Income	21	1,988.01	1,498.95	1,839.04
(iii)	Recovery of Security Receipts, Unrealized Fee & Expenses (written off earlier)	22	1,000.31	2,875.52	1,408.97
(iv)	Interest Income	23	206.59	217.01	352.12
(v)	Net Gain on fair value changes-Unrealised	24	1,346.69	-	2,847.52
	Total Revenue from Operations (I)		**5,817.55**	**6,058.24**	**8,091.94**
	Other Income (II)	25	260.82	36.65	34.73
	Total Income (III=I+II)		**6,078.37**	**6,094.89**	**8,126.67**
	Expenses				
(i)	Finance Costs	26	113.31	61.38	15.98
(ii)	Impairment of Financial Instruments/ Financial Assets	27	28.46	19.43	(233.80)
(iii)	Employee Benefits Expenses	28	609.41	556.59	547.79
(iv)	Depreciation, Amortization and Impairment	29	21.53	19.32	21.41
(v)	Write off of Security Receipts, Unrealized Fee & Expenses	30	367.13	492.64	3,786.34
(vi)	Other Expenses	31	626.94	559.56	125.66
(vii)	Net loss on fair value changes-Unrealised	24	-	238.55	-
	Total Expenses (IV)		**1,766.79**	**1,947.47**	**4,263.39**
	Profit / (Loss) before tax (V=III-IV)		**4,311.58**	**4,147.42**	**3,863.28**
	Tax Expense (VI)				
	(1) Current Tax		868.88	1,113.94	357.21
	(2) Deferred Tax		350.31	(75.40)	466.67
	(3) Tax adjustment for previous years		-	-	-
			1,219.19	**1,038.54**	**823.88**
	Profit / (Loss) for the year (VII=V-VI)		**3,092.39**	**3,108.87**	**3,039.40**
	Other Comprehensive Income				
	a. Items that will not be realised to profit & loss				
	- Remeasurement of defined benefit plans		(17.33)	(18.03)	(6.69)
	b. Income tax relating to items that will not be realised to profit & loss		4.36	4.54	1.69
	Total Other Comprehensive Income (a+b)		**(12.97)**	**(13.49)**	**(5.01)**
	Comprehensive Income for the year		**3,079.42**	**3,095.38**	**3,034.40**
	Share in profit / (loss) of Associates		8.91	31.71	20.72
	Profit for the year attributable to :-				
	Non Controlling Interest(SR holder)		(193.78)	(164.07)	194.14
	Company		3,295.08	3,304.65	2,865.99
	Other Comprehensive income attributable to :-				
	Non Controlling Interest(SR holder)		-	-	-
	Company		(12.97)	(13.49)	(5.01)
	Total Comprehensive income attributable to :-				
	Non Controlling Interest (SR holder)		(193.78)	(164.07)	194.14
	Company		3,282.11	3,291.16	2,860.98
	Earnings per equity share:				
	(Nominal Value `10/- per share)				
	- Basic and diluted (in Rs.)	34	10.14	10.17	8.82

Material accounting policies

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes 1-76

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number : 105047W

Swapnil Kale
Membership Number : 117812

Place: Mumbai
Date: July 31, 2025

For Asset Reconstruction Company (India) Limited

Narayanan Subramaniam
Chairman
DIN: 07117387

Pallav Mohapatra
CEO & MD
DIN: 02300885

PRAMOD KUMAR GUPTA
Digitally signed by PRAMOD KUMAR GUPTA
DN: CN = PRAMOD KUMAR GUPTA, C = IN, S = Maharashtra, O = Personal
Date: 2025.07.31 15:46:00 +05'30'

Pramod Gupta
Chief Financial Officer

Ameet Kela
Company Secretary

Place: Mumbai
Date: July 31, 2025

Asset Reconstruction Company (India) Limited
Restated Consolidated Statement of Cash flow for the year ended March 31, 2025

(Rs. In Millions)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES:			
Profit Before Tax	**4,311.58**	**4,147.42**	**3,863.28**
Adjustments for:		-	-
Security Receipts written off	204.01	49.46	2,491.28
Realisation against investments written off in previous years	(144.17)	(1,454.95)	(918.90)
Unrealised fees & expenses written off (net)	(693.02)	(977.39)	804.99
Profit on sale of Property, plant & equipment	(0.30)	(0.34)	(0.09)
Depreciation, amortization and impairment	21.53	19.32	21.41
Profit on sale of equity shares	(1.16)	1.82	(5.00)
Profit on mutual fund redemption	(12.98)	-	-
Fair Value (gain)/ loss on equity shares	1.47	(135.10)	(42.10)
Fair Value (gain)/loss on security receipts	(1,347.85)	373.65	(2,805.42)
Loss/(Profit) on sale of Mutual Fund	(0.31)	-	-
Impairment Loss on financial instruments/Other Financial Assets	28.46	19.43	(233.80)
Gain/ (Loss) on Consolidation	(225.82)	(459.51)	(501.79)
Interest on Priority Debt Funding	-	-	(76.16)
Interest on Income Tax Refund	(217.82)	(7.88)	-
Interest on deposits with Banks	(176.74)	(200.61)	(200.86)
Finance cost	113.31	61.38	15.98
Operating Cash Flow before Working Capital changes	**1,860.20**	**1,436.70**	**2,412.83**
Working Capital Changes:			
(Increase) / Decrease in Trade Receivables	476.34	434.46	85.41
(Increase) / Decrease in Other Financial and Non-Financial Assets	253.63	286.14	1,201.77
Increase / (Decrease) in Payables	4.32	10.83	(34.57)
Increase / (Decrease) Other Financial Liabilities	(435.33)	4,700.91	332.06
Increase/ (Decrease) in Remeasurements of defined benefit plans	(17.33)	(18.03)	(6.69)
Increase / (Decrease) in Other Non Financial Liabilities and Provisions	616.56	(442.59)	(263.37)
Cash generated from operations	**2,758.37**	**6,408.41**	**3,727.43**
Direct taxes paid (net of refunds)	64.81	(892.15)	(774.19)
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	**2,823.19**	**5,516.26**	**2,953.25**
CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of Fixed Assets including capital advances	(15.47)	(43.96)	(8.34)
Proceeds from Sale of Fixed Assets	0.32	1.25	0.71
Interest Received on debentures	(0.00)	-	-
Interest Received on deposits	176.74	200.61	200.86
Interest on Loan	-	-	113.35
Interest on Income Tax Refund	217.82	7.88	-
Investments in Loans (Net)	(7,102.59)	(6,559.33)	(1,803.16)
Investment in Security Receipts (Net)	(392.41)	2,848.15	(1,548.78)
Investment in Equity Shares (Net)	1.99	80.60	37.31
Investments in Mutual Fund	(2,719.87)	-	-
Redemption in Mutual Fund	2,332.88	-	-
SRs issued/ Distributed (Net)	2,938.10	2,338.02	402.03
Increase / (Decrease) in Bank deposits not considered as cash & cash equivalent	(431.62)	1,388.26	(777.47)
Increase / (Decrease) in earmarked constituent balances	(542.52)	(4,067.47)	(249.47)
NET CASH (USED IN) INVESTING ACTIVITIES (B)	**(5,536.62)**	**(3,806.00)**	**(3,632.97)**
CASH FLOW FROM FINANCING ACTIVITIES:			
Proceeds / (Repayment) from Short Term Borrowings (net)	1,059.83	(180.53)	231.26
Proceeds from Term Loan	500.00	500.00	(320.00)
Dividend pay out	(487.35)	(812.24)	(324.90)
Finance cost	(112.75)	(61.51)	(15.85)
Repayment of Lease Liabilites	(6.42)	(6.08)	(5.60)
NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	**953.31**	**(560.36)**	**(435.09)**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(1,760.12)**	**1,149.90**	**(1,114.81)**
Cash and Cash Equivalents at the beginning of the year	**3,592.64**	**2,442.73**	**3,557.54**
Cash and Cash Equivalents at the end of the year (Refer Note 3)	**1,832.52**	**3,592.64**	**2,442.73**
Components of Cash & Cash Equivalents			
Balances with banks			
- on current account	721.36	1,224.60	614.40
- on deposits with maturity less than 3 months	1,111.17	2,368.04	1,828.28
Cash on hand	-	-	0.05
	1,832.53	**3,592.64**	**2,442.73**

The above statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows.

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number : 105047W

Swapnil Kale
Membership Number : 117812

Place: Mumbai
Date: July 31, 2025

Narayanan Subramaniam
Chairman
DIN: 07117387

Pallav Mohapatra
CEO & MD
DIN: 02300885

PRAMOD KUMAR GUPTA
Digitally signed by PRAMOD KUMAR GUPTA
DN: CN = PRAMOD KUMAR GUPTA, C = IN, S = Maharashtra, O = Personal
Date: 2025.07.31 15:46:34 +05'30'

Pramod Gupta
Chief Financial Officer

Ameet Kela
Company Secretary

Place: Mumbai
Date: July 31, 2025

Asset Reconstruction Company (India) Limited

Restated Consolidated Statement of Changes in Equity for the year ended March 31, 2025

A. Equity Share Capital

(Rs. In Millions)

For the period ended March 31, 2025

Balance as at April 01, 2024	Changes in Equity Share Capital due to prior period errors	Balance as at March 31, 2025
3,248.97	-	3,248.97

For the year ended March 31, 2024

Balance as at April 01, 2023	Changes in Equity Share Capital due to prior period errors	Balance as at March 31, 2024
3,248.97	-	3,248.97

For the year ended March 31, 2023

Balance as at April 01, 2022	Changes in Equity Share Capital due to prior period errors	Balance as at March 31, 2023
3,248.97	-	3,248.97

B. Other Equity

(Rs. In Millions)

Particulars	Reserves & Surplus					Items of Other Comprehensive Income	Equity Attributable to owners of the company	Non Controlling Interest	Total
	Securities Premium	General Reserve	Impairment Reserve	Contingency Reserve	Retained Earnings	Re-measurement of net defined benefit plans			
Balance as at March 31, 2022	**9,094.26**	**94.53**	**-**	**518.46**	**11,838.27**	**(5.61)**	**21,539.90**	**(4,555.01)**	**16,984.89**
Profit for the year after income tax	-	-	-	-	2,782.59	-	2,782.59	194.14	2,976.74
Appropriation for Impairment Reserve	-	-	83.39		-	-	83.39	-	83.39
Consolidation Adjustment	-	-	-	-			-	-	-
Security Receipt Holder Fund Balance	-	-	-	-	791.33	-	791.33	(1,313.84)	(522.51)
Other Comprehensive income for the year before income tax	-	-	-	-	-	(6.69)	(6.69)	0.00	(6.69)
Less: Income tax on Other Comprehensive Income	-	-	-	-	-	1.68	1.68	0.00	1.68
Total Comprehensive Income for the year	**-**	**-**	**83.39**	**-**	**3,573.92**	**(5.01)**	**3,652.30**	**(1,119.70)**	**2,532.60**
Dividend paid					**(324.90)**		**(324.90)**		**(324.90)**
Balance as at March 31, 2023	**9,094.26**	**94.53**	**83.39**	**518.46**	**15,087.29**	**(10.62)**	**24,867.31**	**(5,674.71)**	**19,192.59**
Profit for the year after income tax	-	-	-	-	3,304.65	-	3,304.65	(164.06)	3,140.59
Consolidation Adjustment	-	-	-	-	166.19	-	166.19	-	166.19
Security Receipt Holder Fund Balance	-	-	-	-	-	-	-	- 657.47	(657.47)
Other Comprehensive income for the year before income tax	-	-	-	-	-	(18.03)	(18.03)	0.00	(18.03)
Less: Income tax on Other Comprehensive Income	-	-	-	-	-	4.54	4.54	0.00	4.54
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**3,470.84**	**- 13.49**	**3,457.35**	**(821.53)**	**2,635.82**
Dividend paid	**-**	**-**	**-**	**-**	**(812.24)**	**-**	**(812.24)**	**-**	**(812.24)**
Balance as at March 31, 2024	**9,094.26**	**94.53**	**83.39**	**518.46**	**17,745.89**	**(24.11)**	**27,512.42**	**(6,496.25)**	**21,016.17**
Profit for the year after income tax	-	-	-	-	3,295.08	-	3,295.08	(193.78)	3,101.30
Consolidation Adjustment	-	-	-	-	623.94	-	623.94	-	623.94
Security Receipt Holder Fund Balance	-	-	-	-	-	-	-	(858.67)	(858.67)
Other Comprehensive income for the year before income tax	-	-	-	-	-	(17.33)	(17.33)	-	(17.33)
Less: Income tax on Other Comprehensive Income	-	-	-	-	-	4.36	4.36	-	4.36
Other Adjustments/Transfer	-	518.46	-	- 518.46	-	-	-	-	-
Total Comprehensive Income for the period	**-**	**518.46**	**-**	**(518.46)**	**3,919.02**	**(12.97)**	**3,906.05**	**(1,052.44)**	**2,853.61**
Dividend Paid	-	-	-	-	(487.35)	-	(487.35)		(487.35)
Balance as at March 31, 2025	**9,094.26**	**612.99**	**83.39**	**-**	**21,177.57**	**(37.07)**	**30,931.13**	**(7,548.69)**	**23,382.43**

As per our report of even date attached

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration Number : 105047W

Swapnil Kale

Membership Number : 117812

Place: Mumbai

Date: July 31, 2025

For Asset Reconstruction Company (India) Limited

Narayanan Subramaniam
Chairman
DIN: 07117387

Pallav Mohapatra
CEO & MD
DIN: 02300885

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Date: 2025.07.31 15:46:47 +05'30'

Pramod Gupta
Chief Financial Officer

Ameet Kela
Company Secretary

Place: Mumbai

Date: July 31, 2025

1. Corporate information

Asset Reconstruction Company (India) Limited (Arcil) was incorporated as a public limited company on 11th February 2002 under the Companies Act 1956, and in pursuance of Section 3 under the Securitisation Asset Reconstruction and Security Interest Act, 2002 (SARFAESI Act).

It holds a certificate of registration issued by the Reserve Bank of India (RBI) vide RBI certificate of registration no. 01/2003 dated 29th August 2003 and operates as an Asset Reconstruction Company with powers conferred under the SARFAESI Act.

The company is engaged in the business of acquisition of non-performing and distressed assets (NPA) from Banks & Financial institutions and resolving them. It is regulated by Reserve Bank of India as a Non-Banking Financial Company (u/s 45 I (f) (iii) of RBI Act, 1934).

The Company is domiciled in India and its registered office is at 10th Floor, The Ruby, Senapati Bapat Marg, Dadar (W), Mumbai – 400 028.

The company, together with its trusts (the subsidiaries and the associates), is hereinafter referred to as "the Group".

2. Material accounting policies

2.1 Basis of preparation and presentation

The Restated Consolidated Financial Information of the Group comprising of Restated Consolidated Balance Sheet of the Group as on 31st March 2025,31st March 2024 and 31st March 2023. Restated consolidated statement of Profit & Loss (including other comprehensive income), Restated Consolidated Statement of changes in Equity and Restated Consolidated statement of Cashflow of the Group for the period ended 31st March 2025,31st March 2024 and 31st March 2023 and the summary of material Accounting policy and Explanatory information (Collectively "Restated Consolidated financial information"). These Restated Consolidated Financial Information is prepared by management of the Group for the purpose of inclusion in the Draft Red Hearing Prospectus(DRHP) prepared by the Group in connection with their proposed initial public offer ('IPO") of Equity.

The Restated Financial information have been prepared by the Group in terms of requirement of
a) The sub-section(1) of section 26 of Part I of Chapter III of the Companies Act, 2013, and rules made thereunder as amended (together the "Act").
b) The Securities and Exchange Board of India (issue of Capital and Disclosure requirement) Regulation 2018 as amended (the "ICDR Regulation").
c) The guidance note on reports in company prospectus (Revised 2019) issued by The Institute of Chartered Accountants of India (ICAI) as amended (the "Guidance note').

The Restated consolidated financial information have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the Restated Financial Information. The Restated Consolidated Financial Information are presented in INR, the functional currency of the Group and all values are rounded to the nearest Millions. (INR 000,000), except as otherwise indicated.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards, notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, and other accounting principles generally accepted in India.

Historical cost is generally based on actual consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group

takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on this basis.

Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

Basis of consolidation

The Restated consolidated financial Information comprise the financial statements of the Holding Group and the entities controlled by the Group,its Subsidiaries and Associates. Control is achieved when the Group:

i. has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

ii. is exposed or has rights, to variable returns from its involvement with the investee, and

iii. has the ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group obtains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Group.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group losses control over a subsidiary, it:

a. Derecognises the assets (including goodwill) and liabilities of the subsidiary
b. Derecognises the carrying amount of any non-controlling interests
c. Derecognises the cumulative translation differences recorded in equity
d. Recognises the fair value of the consideration received
e. Recognises any surplus or deficit in profit or loss
f. Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed off the related assets or liabilities.

The associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in Associates includes goodwill identified on acquisition.

2.2 Application of new and revised Ind AS

Standard issued and effective:
All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised for issue have been considered in preparing these financial statements.

2.3 Investment in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Distributions received from an associate reduce the carrying amount of the investment. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group’s investment in an associate.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group

reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

2.4 Key accounting judgements and key sources of estimation uncertainty

In the application of the Group’s accounting policies, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Fair value measurement of Security Receipts

Investments in SRs are measured at latest declared NAV which is based on recovery ratings bands as determined by the independent rating agencies. (Refer 2.13.1.5)

Defined benefit obligations

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and

mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (Refer 2.7)

Useful Lives of Property, Plant and Equipment

The Group reviews the useful life of assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. (Refer 2.9)

Intangible Assets

The Group reviews the useful life of intangible assets at the end of each reporting period. This reassessment may result in change in amortisation expense in future periods. (Refer 2.10)

Expected Credit Loss

ECL on Trade Receivables (including Management fees receivable from SR holders) and Contract Asset (including funded expenses and funded interest) is based on simplified method of ECL computation as permitted under Ind AS 109.

On a prudential basis, an ECL @ 0.40% is being made on outstanding NCDs.

For Loans and priority debt funding, ECL is provided for on individual assessment basis.

Provisions and Contingent Liabilities

A provision is recognized when the group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. (Refer 2.12)

2.5 Revenue recognition

2.5.1 Management / Trusteeship and other related fees:
Management / Trusteeship and other related fees are recognised when the group satisfies the performance obligation at fair value of the consideration received or receivable. The Group recognises such revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation
Revenue is measured at the amount transaction price (net of variable consideration) allocated to that Performance obligation.

Management fee in excess of billing is recognized as unbilled Management fee in the financial statement.

Accrual of management fees is based on commercial arrangement with trusts where Management Fees is accrued and charged as a percentage on the lower band of NAV specified by Credit Rating Agency or declared NAV whichever is lower. The accrual of management fee is discontinued once the NAV rating is withdrawn/ discontinued.

2.5.2 Dividend Income:
Dividend income is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably).

2.5.3 Interest Income:
Interest income from interest bearing financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is recognised/ estimated using the effective interest rate method. The effective interest rate which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. However, recognition of interest on receivables from Trusts is discontinued when NAV of Security receipts of the Trust becomes Nil. The unrecognised interest is recognised on realisation.

2.5.4 Net income from financial instruments at FVTPL
Net income from financial instruments at FVTPL includes all realized and unrealized fair value changes and recognized in the Statement of Profit and Loss.
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2.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of profit or loss in the period in which they are incurred.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Defined contribution plans - Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans - For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest income), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item ‘Employee benefits expense’. Curtailment gains and losses are accounted for as past service costs and the gains / loss arising on remeasurement are presented in Other Comprehensive Income.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

2.7.3 Contributions from employees or third parties to defined benefit plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Group reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Group reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees’ periods

of service in accordance with Ind AS 19.70.

2.8 Taxation

Income tax expense represents the sum of the current tax and deferred tax.

2.8.1 Current tax

The current tax payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.8.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those Deferred Tax Asset will be utilised.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, is considered as deferred tax in the Balance Sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with it will be realized.

2.8.3 Current and deferred tax for the year

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

2.9 Property, plant and equipment (PPE)

The cost of an item of property, plant and equipment is recognised if it is probable that future economic benefits associated with the item will flow to the group and the cost thereof can be measured reliably. All property, plant and equipment are initially recognised at cost. Cost comprises the purchase price and any directly attributable cost to bring the asset to its working condition for its intended use.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets purchased during the year are depreciated on the basis of actual number of days the asset has been put to use in the year. Assets individually costing Rs. 5,000/- or less are fully depreciated in the year of purchase.

Estimated Useful life of Assets is as Below:

Category of PPE	**Estimated Useful life**
Office Building	60 years or over the lease period whichever is lower

Leasehold improvements	60 years or over the lease period whichever is lower
Furniture & Fixtures	6.67 years
Office Equipment	5 years
Computers	3 years
Vehicles	5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or sale of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.10 Intangible assets

2.10.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Estimated useful life of software is 4 years.

2.10.2 Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in Statement of profit or loss when the asset is derecognised.

2.11 Investment in Subsidiary and Associates

Trusts are special purpose vehicles formed under SARFAESI and RBI guidelines which are managed by Arcil in its capacity as a Trustee.

Control is defined to mean where an entity has power over the investee, existing rights that give it the current ability to direct the relevant activities and it also has exposure to variable returns from the Trusts.

For Trusts where Arcil’s outstanding Investment in Security Receipts are more than 25%, have been considered as Subsidiaries. For Trusts where Arcil’s outstanding Investment in Security Receipts are between 20% to 25%, have been considered as Associates.

Investment in subsidiaries and associates are measured in accordance with Ind AS 109 in Standalone Financial Statements.

2.12 Provisions, Contingent Liabilities and Contingent Assets

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A Contingent Liability is disclosed unless the possibility of an outflow of resources embodying the economic benefits is remote. Contingent assets are not recognized in the financial statements.

2.13 Financial instruments

Financial assets and financial liabilities are recognised when Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

2.13.1 Financial assets

All regular way purchases or sales, of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.13.1.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in OCI for designated FVTOCI debt instruments. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other debt instruments are subsequently measured at fair value through profit and loss.

The Financial assets contains Management fees and expenses recoverable from Trusts.

2.13.1.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument which are at amortised cost and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.13.1.3 Investments in equity instruments at FVTOCI

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

2.13.1.4 Equity investments at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

Dividends on investments in equity instruments are recognised as 'other income' when the Group's right to receive the dividends is established.

2.13.1.5 Investment in Security receipts at fair value through profit or loss (FVTPL)

Investments in Security receipts are classified as at FVTPL. Investment in Security receipts at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. In respect of Security Receipts, the last declared NAV is considered as fair value. For cases which fall under planning period as defined by the RBI guidelines for SC/RC, cost of Security Receipts are considered as fair value which is normally the transaction cost. The initial rating is assigned within six months from the date of acquisition of assets. Thereafter, ratings are reviewed at half yearly intervals i.e as on 30th June and 31st December every year. However, the NAV has been reviewed on a continuous basis so that any material change in valuation of SRs is recognized immediately. The SC/RC are required to declare NAV within two months from the date of half yearly review i.e by 31st August which is used for September and December reporting and 28th February which is used for March and June reporting.

2.13.1.6 Security Receipts and Acquired Financial Asset at fair value through profit or loss (FVTPL)

Security receipts & Acquired Financial Assets are classified as at FVTPL. They are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in Revenue account. In respect of Security Receipts, the last declared NAV is considered as fair value. For cases which fall under planning period as defined by the RBI guidelines for SC/RC, cost of Security Receipts are considered as fair value. The initial rating is assigned within six months from the date of acquisition of assets.

Thereafter, ratings are reviewed at half yearly intervals i.e as on 30th June and 31st December every year. However, the NAV has been reviewed on a continuous basis so that any material change in valuation of SRs is recognized immediately. The SC/RC are required to declare NAV within two months from the date of half yearly review i.e. by 31st August which is used for September and December reporting and 28th February which is used for March and June reporting.

2.13.1.7 Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI and other contractual rights to receive cash or other financial assets.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

ECL on Trade Receivables (including Management fees receivable from SR holders) and Contract Asset (including funded expenses and funded interest) is based on simplified method of ECL computation as permitted under Ind AS 109.

On a prudential basis, an ECL @ 0.40% is being made on outstanding NCDs.

For Loans and priority debt funding, ECL is provided for on individual assessment basis.

2.13.1.8 Derecognition of financial assets

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss, other than on sale of equity instruments designated at FVTOCI.

2.13.1.9 Write Off

a) Security Receipts

Outstanding Investments in Security Receipts are written off if there is no realistic prospect of recovery from such trusts on expiry of maximum resolution period or on closure of the concerned Trust; whichever is earlier. Any subsequent recoveries made are recognised in profit or loss.

b) Management Fees and Other recoverable from Trust

Management Fees and Other recoverable from trust are written off if there is no realistic prospect of recovery from such trusts on expiry of maximum resolution period or on closure of the concerned Trust; whichever is earlier. Any subsequent recoveries made are recognised in the statement of profit or loss.

c) Loans

Loan and Debt securities will be written off when they remain overdue continuously for a period more than 3 years and there is no reasonable expectation of recovery from such financial assets. Any subsequent recoveries towards the same will be credited in statement of profit and loss.

2.13.2 Financial liabilities and equity instruments

2.13.2.1 Classification as debt or equity

Debt and equity instruments issued by Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.13.2.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Group are recognised at the proceeds received, net of direct issue costs.

2.13.2.3 Financial liabilities

All financial liabilities are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method or at FVTPL when the financial liability is held for trading.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or

- it is a derivative that is not designated and effective as a hedging instrument.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.13.*2.4* <u>*Derecognition of financial liabilities*</u>

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.13.3 Offsetting of Financial Assets and Financial Liabilities:

The financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when:

- the Group currently has a legally enforceable right to offset the amounts; and
- it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty

2.14 Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the year.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.15 Statement of Cash Flows

The statement of cash flows shows the changes in cash and cash equivalents arising during the year from operating activities, investing activities and financing activities

The cash flows from operating activities are determined by using the indirect method. Net income is therefore adjusted by non-cash items, such as measurement gains or losses, changes in provisions, impairment of property, plant and equipment and intangible assets, as well as changes from receivables and liabilities. In addition, all income and expenses from cash transactions that are attributable to investing or financing activities are eliminated.

The cash flows from investing and financing activities are determined by using the indirect method.

2.16 Foreign Currency Transactions

Foreign currency transactions are recorded at the rate prevailing on the date of transaction. Foreign currency monetary items outstanding as at the Balance Sheet date are restated at the closing rate of exchange. The resulting exchange gain/loss is reflected in the Statement of Profit and Loss.

2.17 Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.18 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

2.19 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

2.20 Expenses on behalf of the trusts

Pre- Acquisition expenses
Expenses incurred at pre-acquisition stage are recognised as expenses for the period in which such costs are incurred.

Post- Acquisition expenses
Expenses incurred after acquisition of assets on the formation of the trusts like stamp duty and registration charges which are recoverable from the trusts, are written off, if these expenses are not realised within 180 days from the planning period or downgrading of SRs [i.e. Net Asset Value (NAV) is less than 50% of the face value of SRs] whichever is earlier. Any subsequent recoveries made are recognised in profit or loss.

(Rs. In Millions)

3. Cash and Cash Equivalents

	Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
I.	Cash on Hand	-	-	0.05
				-
II.	Balances with Banks			-
(a)	In current accounts	721.36	1,224.60	614.40
(b)	In deposits with maturity of 3 months or less	1,111.17	2,368.04	1,828.28
		1,832.53	**3,592.64**	**2,442.68**
	Total	**1,832.53**	**3,592.64**	**2,442.73**

4. Bank Balance other than Cash and Cash Equivalents

	Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
I.	Bank Balance other than Cash and Cash Equivalents			
(a)	Deposits with maturity greater than 3 months but less than 12 months	972.52	540.90	1,929.16
(b)	Earmarked Balances/Deposits	5,919.98	5,393.18	1,277.24
	-Deposit held for statutory disputes	183.29	170.72	159.83
	-Monies held on behalf of Trusts/other constituents	37.56	35.65	83.23
	-FD against bank guarantee issued on behalf of trusts	24.44	22.84	21.80
	-Deposits for CSR Activities	-	0.37	13.19
	Total	**7,137.79**	**6,163.65**	**3,484.45**

5. Trade Receivables

	Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(a)	Secured, considered good	-	-	-
(b)	Unsecured, considered good:			
	Billed Revenue	325.21	561.97	447.50
	Unbilled Revenue	297.69	118.32	95.15
		622.91	**680.29**	**542.66**
	Less: Impairment Loss Allowance (ECL)	(84.10)	(57.18)	(45.80)
	Total	**538.80**	**623.11**	**496.85**

Ageing for trade receivables outstanding as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Billed Revenue	163.98	9.65	147.23	0.74	3.62	**325.21**
Unbilled Revenue	207.28	41.27	40.78	1.18	7.17	**297.69**
Total	**371.27**	**50.93**	**188.01**	**1.92**	**10.79**	**622.91**

Ageing for trade receivables outstanding as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Billed Revenue	463.13	94.47	0.75	-	3.61	**561.97**
Unbilled Revenue	109.49	0.48	1.18	1.76	5.42	**118.32**
Total	**572.62**	**94.95**	**1.93**	**1.76**	**9.03**	**680.29**

Ageing for trade receivables outstanding as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Billed Revenue	319.40	64.65	52.92	0.93	9.61	**447.50**
Unbilled Revenue	49.50	17.04	10.81	10.26	7.54	**95.15**
Total	**368.90**	**81.69**	**63.72**	**11.19**	**17.15**	**542.66**

Asset Reconstruction Company (India) Limited
Notes to Restated Consolidated Financial Statements for the year ended March 31, 2025

(Rs. In Millions)

6. Loans

Particulars	As at March 31, 2025 At Amortised Cost	As at March 31, 2025 At Fair Value through Profit and Loss account	As at March 31, 2025 Total	As at March 31, 2024 At Amortised Cost	As at March 31, 2024 At Fair Value through Profit and Loss account	As at March 31, 2024 Total	As at March 31, 2023 At Amortised Cost	As at March 31, 2023 At Fair Value through Profit and Loss account	As at March 31, 2023 Total
Acquired Financial Assets	-	21,586.47	21,586.47	-	14,483.88	14,483.88	-	7,924.55	7,924.55
Gross:	**-**	**21,586.47**	**21,586.47**	**-**	**14,483.88**	**14,483.88**	**-**	**7,924.55**	**7,924.55**
Less: Impairment Loss Allowance (ECL)	-	-	-		-	-		-	-
Net	**-**	**21,586.47**	**21,586.47**	**-**	**14,483.88**	**14,483.88**	**-**	**7,924.55**	**7,924.55**

Asset Reconstruction Company (India) Limited
Notes to Restated Consolidated Financial Statements for the year ended March 31, 2025

7. Investments

(Rs. In Millions)

Particulars	As at March 31, 2025			As at March 31, 2024			As at March 31, 2023		
	Amortised Cost	Fair Value through profit or loss	Total	Amortised Cost	Fair Value through profit or loss	Total	Amortised Cost	Fair Value through profit or loss	Total
Investments									
Security Receipts									
-Subsidiaries	-	-	-	-	-	-	-	-	-
-Associates (Annexure IA)	-	828.90	828.90	-	573.83	573.83	-	356.14	356.14
-Others (Annexure IA)	-	9,755.66	9,755.66	-	8,330.31	8,330.31	-	10,364.23	10,364.23
Debt Securities	-	-	-	-	-	-	330.00	-	330.00
Equity Instruments (Annexure IB)	-	231.11	231.11	-	233.41	233.41	-	180.73	180.73
Mutual Funds Investments (Annexure IC)		400.29	400.29		-	-			
Total - Gross (A)	**-**	**11,215.95**	**11,215.95**	**-**	**9,137.54**	**9,137.54**	**330.00**	**10,901.10**	**11,231.10**
Less: Provision	**-**	-	-	**-**	-	-	**-**		-
Total - (B)	**-**	**11,215.95**	**11,215.95**	**-**	**9,137.54**	**9,137.54**	**330.00**	**10,901.10**	**11,231.10**
(i) Overseas Investments	-	-	-	-	-	-	-	-	-
(i) Investments in India	-	11,215.95	11,215.95	-	9,137.54	9,137.54	330.00	10,901.10	11,231.10
Total (B)	**-**	**11,215.95**	**11,215.95**	**-**	**9,137.54**	**9,137.54**	**330.00**	**10,901.10**	**11,231.10**
Less: Impairment Loss Allowance (ECL) (B)	-	-	-	-	-	-	(330.00)	-	(330.00)
Total - Net C=(A)-(B)	**-**	**11,215.95**	**11,215.95**	**-**	**9,137.54**	**9,137.54**	**-**	**10,901.10**	**10,901.10**
Current	**-**	**-**	**2,302.41**	**-**	**-**	**3,826.25**	**-**	**-**	**2,582.15**
Non-Current	**-**	**-**	**8,913.55**	**-**	**-**	**5,311.29**	**-**	**-**	**8,318.95**

Asset Reconstruction Company (India) Limited
Notes to Restated Consolidated Financial Statements for the year ended March 31, 2025

Annexure I
(A) Investments in Security Receipts :

(Rs. In millions)

Sr. No	Trust / Scheme Name	Number of Security Receipts as at March 31, 2025	Number of Security Receipts as at March 31, 2024	Number of Security Receipts as at March 31, 2023	Outstanding Face Value (Rs. Per Unit) as at March 31, 2025	Outstanding Face Value (Rs. Per Unit) as at March 31, 2024	Outstanding Face Value (Rs. Per Unit) as at March 31, 2023	Fair value as at March 31, 2025 (Rs.)	Fair value as at March 31, 2024 (Rs.)	Fair value as at March 31, 2023 (Rs.)
	Investments classified as Associate									
1	Arcil-AST-001-VII-Trust	-	35,100.00	35,100.00	-	408.41	465.57	-	10.75	12.26
2	Arcil-AST-003-IV-Trust	1,00,000.00	1,00,000.00	1,00,000.00	203.20	799.79	832.07	0.05	39.99	41.60
3	Arcil-SBPS-022-IV Trust ^ @ *	-	1,04,000.00	1,04,000.00	-	225.23	444.62	-	0.00	19.69
4	Arcil-Retail Port-046-A-T ^ @ *	-	59,010.00	59,010.00	-	1.00	1.00	-	21.02	27.08
5	Arcil-Retail Loan Portfolio-022-A-Trust *	76,946.00	76,946.00	76,946.00	200.70	253.10	329.35	4.22	9.74	14.43
6	Arcil-CPS-081-I-Trust ^ @	1,83,900.00	1,83,900.00	1,83,900.00	727.73	762.89	1,000.00	133.83	140.30	183.90
7	ARCIL-TRUST-2024-001	2,80,000.00	2,80,000.00	-	986.98	1,000.00	-	207.26	280.00	-
8	Arcil-Trust-2025-013	72,620.00	-	-	1,000.00	-	-	72.62	-	-
9	Arcil-Trust-2025-012	2,46,275.00	-	-	1,000.00	-	-	246.28	-	-
10	Arcil-Trust-2025-018	83,700.00	-	-	1,000.00	-	-	83.70	-	-
11	Arcil-SBPS-022-III-Trust *			40,000.00		1.00	1,000.00	-	-	16.87
Add :	Adjustment of share of Profit/(Loss) from Associates							80.94	72.03	40.32
	Sub Total (I)	**10,43,441.00**	**8,38,956.00**	**5,98,956.00**				**828.90**	**573.83**	**356.14**
	Investment classified as Others									
12	Arcil-AST-002-IV-Trust @	4,81,135.00	4,81,135.00	4,81,135.00	647.78	858.94	983.39	233.75	309.95	354.86
13	Arcil-AST-007-II-Trust *	-	30,045.00	30,045.00	-	1.00	1.00	-	-	2.33
14	Arcil- AST-005-I-Trust	-	90,255.00	90,255.00	-	757.60	853.12	-	-	5.36
15	Arcil-AST-032-I-Trust	-	19,110.00	19,110.00	-	569.12	601.80	-	5.44	8.63
16	Arcil-AST-004-I Trust *	-	19,725.00	19,725.00	-	460.47	502.08	-	4.54	7.43
17	Arcil-AST-043-I-Trust	-	62,505.00	62,505.00	-	823.58	901.74	-	-	2.63
18	Arcil-AST-003-II Trust	-	1,61,550.00	1,61,550.00	-	142.76	197.66	-	-	7.98
19	Arcil-AST-015-I-Trust	-	23,640.00	23,640.00	-	465.00	514.45	-	8.24	9.12
20	Arcil-AST-043-II-Trust	19,515.00	19,515.00	19,515.00	564.90	564.90	1,000.00	-	2.00	12.98
21	Arcil-AST-043-III-Trust	-	18,015.00	18,015.00	-	670.38	722.72	-	9.06	9.76
22	Arcil-AST-017-III-Trust	47,250.00	47,250.00	47,250.00	1,000.00	1,000.00	1,000.00	23.63	23.63	23.63
23	Arcil-AST-034-I-Trust *	-	16,545.00	16,545.00	-	741.83	784.68	-	8.51	9.74
24	Arcil-AST-001-XIII-Trust @ *	-	70,500.00	70,500.00	-	1.00	1,000.00	-	-	70.50
25	Arcil-AST-031-II-Trust *	-	34,500.00	34,500.00	-	110.73	1,000.00	-	-	34.28
26	Arcil-AST-027-II-Trust @ *	-	11,250.00	11,250.00	-	258.17	1,000.00	-	-	10.44
27	Arcil-AST-001-XIV-Trust ^ @ *	96,000.00	96,000.00	96,000.00	1.00	1.00	446.89	2.02	70.04	64.35
28	Arcil-AST-008-I-Trust *	-	25,502.00	25,502.00	-	1.00	951.25	-	-	36.39
29	Arcil-AST-026-II-Trust ^ @	36,345.00	36,345.00	36,345.00	1.00	245.44	687.23	1.62	27.07	37.47
30	Arcil-AST-063-I-Trust ^ @ *	59,985.00	59,985.00	59,985.00	1,000.00	1,000.00	1,000.00	59.99	66.97	73.11
31	Arcil-AST-063-II-Trust ^ @ *	97,515.00	97,515.00	97,515.00	1,000.00	1,000.00	1,000.00	97.52	108.85	118.88
32	Arcil-AST-IX Trust ^ # *	13,51,500.00	13,51,500.00	13,51,500.00	334.04	896.96	986.10	406.45	1,212.24	1,332.71
33	Arcil-AST-032-II-Trust @ *	-	45,814.00	45,814.00	-	1.00	851.42	-	-	39.01
34	Arcil-AST 023-VI Trust ^ *	84,975.00	84,975.00	84,975.00	510.48	685.15	852.65	100.23	104.22	108.68
35	Arcil-AST-071-I-Trust	9,750.00	9,750.00	9,750.00	1.00	224.96	670.69	0.75	3.29	9.81
36	Arcil-AST-072-I-Trust ^ *	1,71,300.00	1,71,300.00	1,71,300.00	517.18	688.49	853.47	200.06	208.01	219.30
37	Arcil-AST-080-III-Trust	-	2,25,000.00	2,25,000.00	-	3.34	1,000.00	-	-	224.10
38	Arcil-CPS-015-II-Trust @ *	45,000.00	45,000.00	45,000.00	394.89	394.89	818.81	4.44	0.00	22.63
39	Arcil-CPS-018-I-Trust	1,24,635.00	1,24,635.00	1,24,635.00	347.23	347.23	347.23	-	3.84	2.45
40	Arcil-CPS-062-I-Trust	9,15,000.00	9,15,000.00	9,15,000.00	819.72	941.71	941.71	550.28	414.52	646.25
41	Arcil-CPS-I Trust ^ *	10,24,500.00	10,24,500.00	10,24,500.00	293.50	672.44	744.03	300.69	662.53	603.30
42	Arcil-CPS-065-I-Trust ^ @	16,50,000.00	16,50,000.00	16,50,000.00	947.07	987.66	1,000.00	1,356.23	1,702.45	1,650.00
43	Arcil-SBPS-008-II-Trust ^ @ *	3,39,480.00	3,39,480.00	3,39,480.00	732.58	732.58	868.13	183.99	192.60	229.25
44	Arcil-SBPS-008-III-Trust ^ *	5,14,905.00	5,14,905.00	5,14,905.00	577.80	642.58	807.53	253.55	288.14	355.26
45	Arcil-SBPS-049-I-Trust ^ *	1,47,000.00	1,47,000.00	1,47,000.00	140.85	140.85	275.20	20.27	20.35	35.26
46	Arcil-Retail Port-045-A-T ^ @ *	-	53,085.00	53,085.00	-	90.90	213.97	-	7.24	17.04
47	Arcil-Retail Port-047-A-T @ *	-	29,100.00	29,100.00	-	153.85	207.61	-	4.48	6.04
48	Arcil-Retail Port-047-B-Trust @	33,845.00	33,845.00	33,845.00	1.00	1.00	1.00	1.62	1.62	1.89
49	Arcil Retail Loan Portfolio-058-A-Trust ^ @ *	69,094.00	69,094.00	69,094.00	221.16	326.95	513.66	15.28	22.59	46.73
50	Arcil-Retail Loan Portfolio-042-C-Trust ^ @ *	17,566.00	17,566.00	17,566.00	344.06	389.06	536.43	6.04	6.83	13.23
51	Arcil-Retail Loan Portfolio-059-A-Trust ^ @ *	8,341.00	8,341.00	8,341.00	254.65	589.54	779.37	2.12	4.92	6.50
52	Arcil-Retail Loan Portfolio-017-B-Trust	34,275.00	34,275.00	34,275.00	1.00	363.61	617.27	0.03	12.46	21.16
53	Arcil-AST-026-III-Trust *	2,25,000.00	2,25,000.00	2,25,000.00	565.88	735.00	897.29	259.79	270.02	290.54
54	Arcil-SBPS-008-IV-Trust *	1,02,000.00	1,02,000.00	1,02,000.00	818.00	818.00	983.59	57.81	56.33	78.76
55	Arcil-Retail Loan Portfolio-073-A-Trust #	49,778.00	49,778.00	49,778.00	1.00	1.00	157.76	18.08	22.29	11.78
56	Arcil-Retail Loan Portfolio-073-B-Trust ^ @ *	46,742.00	46,742.00	46,742.00	1.00	1.00	404.00	11.56	21.29	28.33
57	Arcil-Retail Loan Portfolio-077-A-Trust ^ @ *	56,566.00	56,566.00	56,566.00	198.31	347.87	608.56	10.81	17.97	31.36
58	Arcil-Retail Loan Portfolio-078-A-Trust ^	5,17,447.00	5,17,447.00	5,17,447.00	633.74	680.78	787.79	308.02	343.65	353.65
59	Arcil-Retail Loan Portfolio-078-B-Trust ^	2,88,182.00	2,88,182.00	2,88,182.00	790.17	813.73	940.67	170.78	175.88	242.05
60	Arcil-AST-080-II-Trust - Class B *	-	1,11,927.00	1,11,927.00	-	27.65	1,000.00	-	-	108.77
61	Arcil-AST-080-I-Trust - Class A #	-	80,767.00	80,767.00	-	849.10	1,000.00	-	65.26	80.76
62	Arcil-AST-080-I-Trust - Class B #	-	39,781.00	39,781.00	-	1,000.00	1,000.00	-	59.67	37.28
63	Arcil-AST-001-XVI-Trust @	40,600.00	40,600.00	40,600.00	669.24	837.15	1,000.00	40.76	48.57	52.32
64	Arcil-AST-004-III-Trust ^ #	60,701.00	60,701.00	60,701.00	670.60	837.43	1,000.00	61.06	71.39	77.67
65	Arcil-AST-085-I Trust #	74,642.00	74,642.00	74,642.00	1,000.00	1,000.00	1,000.00	74.64	74.64	74.64
66	Arcil-CPS-III Trust #	10,53,000.00	10,53,000.00	10,53,000.00	1,000.00	1,000.00	1,000.00	1,053.00	1,053.00	1,053.00
67	Arcil-Retail Loan Portfolio-078-C-Trust @	4,00,755.00	4,00,755.00	4,00,755.00	693.09	763.26	1,000.00	208.32	305.88	400.76
68	Arcil-Retail Loan Portfolio-087-A-Trust ^ #	41,158.00	41,158.00	41,158.00	556.84	800.72	1,000.00	20.63	32.08	41.16
69	Arcil-Retail Loan Portfolio-086-A-Trust ^ #	46,978.00	46,978.00	46,978.00	690.50	802.14	1,000.00	29.45	32.07	46.98
70	Arcil-Retail Loan Portfolio-077-B-Trust	19,917.00	19,917.00	19,917.00	139.04	403.66	1,000.00	2.89	7.31	19.92
71	Arcil-AST-089-I-Trust	10,027.00	10,027.00	-	828.22	975.30	-	9.15	10.19	-
72	Arcil-Retail Loan Portfolio-091-A-Trust #	10,51,199.00	10,51,199.00	-	1.00	234.22	-	1.04	240.48	-
73	Arcil-2024C-002 Trust	3,000.00	3,000.00	-	1,000.00	1,000.00	-	3.00	3.00	-
74	Arcil-AST-088-I-Trust #	1,17,184.00	1,14,515.00	-	487.35	1,000.00	-	85.66	114.52	-
75	Arcil-AST-088-I-Trust #	35,156.00	34,355.00	-	1,000.00	1,000.00	-	35.16	34.36	-
76	Arcil-Trust-2025C-002	3,263.00	-	-	1,000.00	-	-	-	-	-
77	Arcil-Trust-2025-001	1,27,500.00	-	-	1,000.00	-	-	113.44	-	-
78	Arcil-Trust-2025-002	44,295.00	-	-	849.72	-	-	33.63	-	-
79	Arcil-Trust-2025-003 @	93,630.00	-	-	1,000.00	-	-	91.37	-	-
80	Arcil-Trust-2025-007	20,25,000.00	-	-	956.42	-	-	1,633.18	-	-
81	Arcil-Trust-2025-004	32,235.00	-	-	795.57	-	-	26.65	-	-
82	Arcil-Trust-2025-006	3,54,000.00	-	-	772.87	-	-	226.46	-	-
83	Arcil-Trust-2025-009	12,49,857.00	-	-	1,000.00	-	-	1,249.86	-	-
84	Arcil-Trust-2025-014	27,435.00	-	-	1,000.00	-	-	27.44	-	-
85	Arcil-Trust-2025-011	16,965.00	-	-	1,000.00	-	-	16.97	-	-
86	Arcil-Trust-2025-017	54,480.00	-	-	1,000.00	-	-	54.48	-	-
87	Arcil-AST-023-I-Trust @ $ *			92,550.00			1.00	-	-	7.84
88	Arcil-CPS-006-V-Trust @ $ *			48,750.00			366.38	-	-	8.93
89	Arcil-AST-002-V-Trust - Class A # $			1,15,500.00			696.97	-	-	80.50
90	Arcil-AST-002-V-Trust - Class B # $			43,560.00			1,000.00	-	-	41.72
91	Arcil-AST 023-V Trust - Class A			1,20,000.00			697.61	-	-	83.71
92	Arcil-AST 023-V Trust - Class B # $			75,000.00			1,000.00	-	-	71.83
93	Arcil-AST-051-II-Trust - Class A # $			79,412.00			584.88	-	-	59.98
94	Arcil-AST-051-II-Trust - Class B # $ *			1,37,819.00			1,000.00	-	-	132.75
95	Arcil-AST-080-II-Trust - Class A # $			91,576.00			1,000.00	-	-	91.51
96	Arcil-AST-026-IV-Trust - Class A #			60,000.00			697.80	-	-	44.18
97	Arcil-AST-026-IV-Trust - Class B #			61,500.00			1,000.00	-	-	55.66
98	Arcil-AST-011-III-Trust - Class A #			39,000.00			707.79	-	-	30.25
99	Arcil-AST-011-III-Trust - Class B #			39,450.00			1,000.00	-	-	36.47
100	Arcil-AST-004-II Trust - Class A			65,250.00			726.89	-	-	47.43
101	Arcil-AST-004-II Trust - Class B			53,505.00			1,000.00	-	-	51.27
Less	Provision							-	-246.17	-
	Sub Total (II)	**1,56,47,603.00**	**1,27,84,089.00**	**1,26,93,865.00**				**9,755.66**	**8,330.31**	**10,364.23**
	Total (III)=(I + II)	**1,66,91,044.00**	**1,36,23,045.00**	**1,32,92,821.00**				**10,584.56**	**8,904.13**	**10,720.37**

@ - Pledged Fully as on March 31, 2025
\# - Pledged partially as on March 31, 2025
^ - Pledged Fully as on March 31, 2024
$ - Pledged partially as on March 31, 2024
* - Pledged Fully as on March 31, 2023
> - Pledged partially as on March 31, 2023

Asset Reconstruction Company (India) Limited
Notes to Restated Consolidated Financial Statements for the year ended March 31, 2025

Annexure I

	(B) Investments in Equity shares (Fair Value through Profit and Loss account)	Number of Shares as at March 31, 2025	Number of Shares as at March 31, 2024	Number of Shares as at March 31, 2023	Outstanding Face Value (Rs. per unit) as at March 31, 2025	Outstanding Face Value (Rs. per unit) as at March 31, 2024	Outstanding Face Value (Rs. per unit) as at March 31, 2023	Fair Value as at March 31, 2025 (Rs. In Millions)	Fair Value as at March 31, 2024 (Rs. In Millions)	Fair Value as at March 31, 2023 (Rs. In Millions)
	Quoted :									
1	BPL Ltd	-	16,153	16,153	10.00	10.00	10.00	-	1.42	0.86
2	Shalimar Wires Industries Limited	1,10,96,573	1,11,00,000	1,11,00,000	10.00	10.00	10.00	228.26	231.99	118.33
3	Venmax Drugs And Pharmaceuticals Limited	1,00,000	1,00,000		10.00	10.00		2.85	-	-
4	Sakthi Sugars Ltd			95,92,640			10.00			61.54
	Unquoted :									
1	OCM (net of impairment of Rs. 14.46 lacs (previous year Rs. 14.46 lacs))	1,09,746	1,09,746	1,09,746	10.00	10.00	10.00	-	-	-
2	JCT Electronics Limited	34,53,300	34,53,300		10.00	10.00		-	-	-
3	Mardia Steel Limited	19,242	19,242		10.00	10.00		-	-	-
4	Nicco Corporation Ltd	1,54,25,304	1,54,25,304		10.00	10.00		-	-	-
5	Polar Industries Limited	30,74,300	30,74,300		10.00	10.00		-	-	-
	Total (B)	**3,32,78,465**	**3,32,98,045**	**2,08,18,539**				**231.11**	**233.41**	**180.73**

	(C) Investments in Mutual Fund (Fair Value through Profit and Loss account)	Number of Units as at March 31, 2025	Number of Units as at March 31, 2024	Number of Units as at March 31, 2023	Outstanding Face Value (Rs. per unit) as at March 31, 2025	Outstanding Face Value (Rs. per unit) as at March 31, 2024	Outstanding Face Value (Rs. per unit) as at March 31, 2023	Fair Value as at March 31, 2025 (Rs. In Millions)	Fair Value as at March 31, 2024 (Rs. In Millions)	Fair Value as at March 31, 2023 (Rs. In Millions)
	Quoted :									
1	SBI Overnight Fund - Growth	97,627.47	-	-	-	-	-	400.29	-	-
	Total (C)	**97,627.47**	**-**	**-**				**400.29**	**-**	**-**
	Total Investments (A+B+C)							**11,215.95**	**9,383.71**	**10,901.10**

8. Other Financial Assets (Rs. In Millions)

Particulars		As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
		Amortised Cost	**Amortised Cost**	**Amortised Cost**
i)	Deposits- Considered Good	116.40	65.40	16.64
ii)	Amount Recoverable from Trusts and Others	92.74	135.82	76.11
	Less: Impairment Loss Allowance (ECL)	(11.18)	(9.53)	(1.08)
		81.55	**126.29**	**75.03**
	Total	**197.95**	**191.70**	**91.66**

9. Deferred Tax Assets / (Liability) (Net)

	Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	Deferred Tax Asset			
i)	Expenses provided but allowable in Income Tax on payment basis	8.37	8.82	4.90
ii)	Provision for diminution in value of investments	0.36	0.22	0.35
iii)	Provision for litigations	59.12	59.12	59.12
iv)	Expected Credit Loss	29.58	19.78	13.77
	Sub Total	**97.44**	**87.94**	**78.15**
	Deferred Tax Liability			
i)	Difference between book depreciation & tax depreciation	50.03	48.73	46.52
ii)	Financial Assets at FVTPL (Net)	503.96	145.45	213.26
	Sub Total	**553.99**	**194.18**	**259.78**
	Total	**(456.55)**	**(106.24)**	**(181.64)**

Asset Reconstruction Company (India) Limited

Notes to Restated Consolidated Financial Statements for the year ended March 31, 2025

10. Property, Plant and Equipment

(Rs. In Millions)

Particulars	As at March 31,2025							
	Office Building	**Furniture and Fittings**	**Office Equipments**	**Vehicles**	**Computers**	**Leasehold Improvements**	**Right to use Leasehold Assets-Office Premises**	**Total**
Cost								
Balance at 31 March 2022	**396.22**	**4.38**	**10.61**	**9.34**	**23.34**	**4.85**	**22.61**	**471.33**
Additions	-	0.11	0.84	-	6.30	-	7.93	**15.19**
Disposals/ Adjustments	**- 3.45**	**- 0.00**	**- 0.09**	**- 2.51**	**- 0.69**	**-**	**- 6.06**	**- 128.01**
Balance at 31 March 2023	**392.77**	**4.49**	**11.36**	**6.83**	**28.94**	**4.85**	**24.48**	**473.71**
Additions	-	0.03	0.68	4.95	2.62	-	3.62	**11.89**
Disposals/ Adjustments	-	-	(0.17)	(3.44)	(1.51)	-	(1.95)	**(7.07)**
Balance at 31 March 2024	**392.77**	**4.52**	**11.86**	**8.34**	**30.06**	**4.85**	**26.15**	**478.53**
Additions	-	0.72	0.44	-	3.59	-	2.12	**6.87**
Disposals/ Adjustments	-	(0.23)	(0.60)	(2.89)	(0.80)	-	(11.97)	**(16.48)**
Balance at 31 March 2025 (A)	**392.77**	**5.01**	**11.70**	**5.45**	**32.84**	**4.85**	**16.30**	**468.92**
Accumulated Depreciation and Impairment								
Balance at 31 March 2022	**36.82**	**3.64**	**9.16**	**6.09**	**18.29**	**0.42**	**7.60**	**82.01**
Depreciation for the period	6.53	0.37	1.10	1.26	5.03	0.16	6.24	**20.68**
Disposals	0.38	(0.00)	(0.08)	(1.94)	(0.65)	-	(5.11)	**(7.40)**
Balance at 31 March 2023	**43.73**	**4.00**	**10.18**	**5.40**	**22.66**	**0.57**	**8.73**	**95.28**
Depreciation for the period	7.30	0.21	0.65	0.87	3.50	0.08	5.80	**18.42**
Disposals	-	-	(0.17)	(2.55)	(1.49)	-	(0.92)	**(5.13)**
Balance at 31 March 2024	**51.03**	**4.21**	**10.66**	**3.73**	**24.67**	**0.66**	**13.61**	**108.57**
Depreciation for the period	7.30	0.33	0.45	0.99	3.92	0.08	5.82	**18.89**
Disposals/ Adjustments	-	(0.22)	(0.60)	(2.89)	(0.78)	-	(8.66)	**(13.15)**
Balance at 31 March 2025 (B)	**58.33**	**4.32**	**10.52**	**1.83**	**27.80**	**0.74**	**10.77**	**114.30**
Carrying Amount								
Balance at 31 March 2023	**349.03**	**0.49**	**1.17**	**1.42**	**6.28**	**4.27**	**15.76**	**378.43**
Balance at 31 March 2024	**341.74**	**0.30**	**1.20**	**4.61**	**5.39**	**4.19**	**12.54**	**369.97**
Balance at 31 March 2025 (A-B)	**334.44**	**0.69**	**1.19**	**3.63**	**5.04**	**4.10**	**5.54**	**354.61**

(Rs. In Millions)

11. Other Intangible Assets

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Computer Software			
At cost, beginning of the year	19.89	17.13	16.12
Additions	36.96	2.77	1.01
Disposals	-	-	-
Total Cost (A)	**56.85**	**19.89**	**17.13**
Accumulated amortization and Impairment:			
At beginning of the year	16.70	15.80	15.07
Amortization	2.66	0.90	0.73
Disposals	-	-	-
Total amortization and impairment (B)	**19.36**	**16.70**	**15.80**
Net Carrying amount (A-B)	**37.50**	**3.19**	**1.32**

12. Intangible Assets Under Development

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Projects in progress (Refer note- 46)	6.76	33.00	-
Total	**6.76**	**33.00**	**-**

13. Other non-financial assets

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Balances with Government Authorities (Refer 44 Note -1)	561.04	561.04	561.04
GST (Input) Credit Receivable	10.49	11.70	9.05
Capital Advances	-	-	0.08
Prepaid Expenses	26.73	17.18	15.32
Other Advances	19.17	15.00	8.71
Total	**617.43**	**604.91**	**594.21**

14. Payables

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Payables			
(I) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	3.41	2.00	0.17
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	15.13	12.23	3.23
Total	**18.54**	**14.22**	**3.40**

Dues to micro enterprises and small enterprises have been determined to the extent such parties have been identified on the basis of information collected. There is no interest payable to any supplier under the Micro, Small and Medium Enterprises Development Act, 2006.

Ageing for trade payables outstanding as at March 31, 2025

	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i)	MSME	3.41	-	-	-	**3.41**
ii)	Others	15.13	-	-	-	**15.13**
	Total	**18.54**	**-**	**-**	**-**	**18.54**

Ageing for trade payables outstanding as at March 31, 2024

	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i)	MSME	2.00	-	-	-	**2.00**
ii)	Others	11.86	-	-	0.37	**12.23**
	Total	**13.86**	**-**	**-**	**0.37**	**14.22**

Ageing for trade payables outstanding as at March 31, 2023

	Particulars	Outstanding for following periods from due date of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i)	MSME	0.17	-	-	-	**0.17**
ii)	Others	2.89	-	0.04	0.29	**3.23**
iii)	Disputed dues - MSME	-	-	-	-	**-**
iv)	Disputed dues - Others	-	-	-	-	-
	Total	**3.06**	**-**	**0.04**	**0.29**	**3.40**

15. Borrowings (Other than Debt Securities) (Rs. In Millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	Amortised Cost	Amortised Cost	Amortised Cost
(a) Term Loans			
from banks*	1,000.00	500.00	-
(b) Working Capital Term Loans			
from banks*	2,059.30	999.47	1,180.00
(c) Loans repayable on demand			
from banks*	-	-	-
(d) Interest accrued but not due	0.57	-	0.13
Total	**3,059.86**	**1,499.47**	**1,180.13**
Borrowings in India	3,059.86	1,499.47	1,180.13
Borrowings outside India	-	-	-
Total	**3,059.86**	**1,499.47**	**1,180.13**

*The rate of interest of above loans are linked with MCLR and Repo rate and subject to change from time to time, it ranges from 8.50% - 10% p.a. Other facilities from banks in the nature of working capital and cash credit facilities are secured by way of pledge of certain identified security receipts.(Refer Annexure IA). Term loan is repayable in 16 quaterly installments after an intial moratorium period of 1 year.

16. Other Financial Liabilities (Rs. In Millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Recovery on behalf of Trusts/ other constituents	41.22	48.13	97.08
Others		-	-
- Liability for expenses	128.60	144.57	91.21
- Liability for leases	6.27	13.88	17.37
- Liability for Unspent CSR	-	20.26	18.04
- Others	6,110.40	6,502.65	1,808.43
Total	**6,286.49**	**6,729.49**	**2,032.13**

17. Provisions (Rs. In Millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits	186.63	169.84	200.18
Others	234.90	234.90	234.90
Total	**421.53**	**404.74**	**435.08**

18. Other Non Financial Liabilities (Rs. In Millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Income received in advance	507.14	45.43	390.31
Statutory dues payable	323.82	185.76	253.13
Total	**830.96**	**231.19**	**643.44**

19. Equity Share Capital

(Rs. In Millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(a) Authorised Capital 500,000,000 equity shares of Rs. 10/- each (Previous Year 500,000,000 equity shares of Rs. 10/- each)	5,000.00	5,000.00	5,000.00
(b) Issued, Subscribed & Paid up 324,897,140 equity shares of Rs. 10/- each, fully paid up (Previous year 324,897,140 equity shares of Rs. 10/- each, fully paid up	3,248.97	3,248.97	3,248.97

(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the period

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**32,48,97,140**	**32,48,97,140**	**32,48,97,140**
Issued during the period	-	-	-
Reductions during the period	-	-	-
Balance at the end of the year	**32,48,97,140**	**32,48,97,140**	**32,48,97,140**

(d) Rights, preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the Annual General Meeting. In the 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 shareholding.

(e) Detail of shareholders holding 5 percent or more

Particulars	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
Name of Shareholder	**No. of Shares held**	**% of holding**	**No. of Shares held**	**% of holding**	**No. of Shares held**	**% of holding**
Avenue India Resurgence Pte. Ltd	22,65,66,265	69.73%	22,65,66,265	69.73%	22,65,66,265	69.73%
State Bank of India	6,48,16,980	19.95%	6,48,16,980	19.95%	6,48,16,980	19.95%
Lathe Investment Pte Ltd.	1,62,44,858	5.00%	1,62,44,858	5.00%	1,62,44,858	5.00%

f) Disclosure of Shareholding of Promoters

Particulars	As at March 31, 2025		As at March 31, 2024		% change in holding during the year	As at March 31, 2023		% change in holding during the year
Name of Shareholder	**No. of Shares held**	**% of holding**	**No. of Shares held**	**% of holding**		**No. of Shares held**	**% of holding**	
Avenue India Resurgence Pte. Ltd	22,65,66,265	69.73%	22,65,66,265	69.73%	0.00%	22,65,66,265	69.73%	0.00%
State Bank of India	6,48,16,980	19.95%	6,48,16,980	19.95%	0.00%	6,48,16,980	19.95%	0.00%

19A Other Equity

(Rs. In Millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Securities Premium (Refer I below)	9,094.26	9,094.26	9,094.26
			-
General Reserve (Refer II below)	612.99	94.53	94.53
			-
Impairment Reserve (Refer III below)	83.39	83.39	83.39
Contingency Reserve (Refer IV below)	-	518.46	518.46
Retained Earnings (Refer V below)	21,177.57	17,745.89	15,087.29
Other Comprehensive Income (Refer VI below)	(37.07)	(24.11)	(10.62)
			-
Non Controling Interest	(7,548.69)	(6,496.25)	- 5,674.72
Total	**23,382.44**	**21,016.17**	**19,192.59**

I. **Securities Premium:** It is the additional amount which the shareholder had paid more than the face value of issued shares. The securities premium can be utilised as per the provisions of Companies Act, 2013.

II. **General Reserve**: It can be utilised from time to time to transfer profit from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of Other Comprehensive Income, items included in general reserve will not be reclassified subsequently to profit or loss.

III. **Impairment Reserve:** Impairment allowance reserve represents reserve created in accordance with the Reserve Bank of India (RBI) circular no. RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March, 2020 on implementation of Indian Accounting Standard. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI

IV. Contingency Reserve: It is a free reserve and can be utilised from time to time to transfer profit from retained earnings for appropriation purposes. The Contingency Reserve as stated in the financials is not held against any specific or identified purpose hence transferred to General Reserve in the current financial year.

V. **Retained Earnings:** These are the profits that the Company has earned till date, less any transfer to General Reserve, Statutory Reserve, dividends or other distributions paid to shareholders.

VI. **Other Comprehensive Income**: This represents remeasurement of defined employee benefit plans (net of taxes).

Asset Reconstruction Company (India) Limited
Notes to Restated Consolidated Financial Statements for the year ended March 31, 2025

(Rs. In Millions)

20. Fees and Other Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Management Fees/ Trusteeship Fees	1,117.88	1,632.29	1,608.24
Unbilled Management Fees	(150.19)	(376.72)	(367.29)
Portfolio Recovery Fees	304.56	210.66	403.33
Other Fees	3.71	0.52	(0.00)
Total	**1,275.95**	**1,466.75**	**1,644.29**

21. Other Operating Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Realisation over acquisition	819.36	1,102.40	1,427.52
Upside Income - Management Incentive	67.86	53.79	140.33
Income from Investments	1,100.80	344.59	266.20
Profit/ (Loss) on sale of equity shares	-	(1.82)	5.00
Total	**1,988.01**	**1,498.95**	**1,839.04**

22. Recovery of Security Receipts, Unrealized Fee & Expenses (written off earlier)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Management Fees	59.08	86.30	55.86
Unbilled Management Fees	374.33	588.01	298.74
Expenses Recoverable from Trusts	422.74	746.25	135.47
Investment in Security Receipts Written off	144.17	1,454.95	918.90
Total	**1,000.31**	**2,875.52**	**1,408.97**

23. Interest Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
On Financial Assets measured at Amortised Cost :-			
Interest on Loans	-	-	76.16
Interest on deposits with Banks	176.74	200.61	200.86
Interest on funded amount from Trust	29.48	14.10	66.07
Interest on CIRP Expenses	0.36	2.30	9.03
Total	**206.59**	**217.01**	**352.12**

(Rs. In Millions)

24. Net gain on fair value changes-Unrealised

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Net gain/(loss) on financial instruments at fair value through profit or loss account :-			
a) On Security Receipts	1,347.85	(373.65)	2,805.42
b) On financial instruments designated at fair value through profit or loss	(1.47)	135.10	42.10
c) On Mutual Fund designated at fair value through profit or loss	0.31	-	-
Total	**1,346.69**	**(238.55)**	**2,847.52**

25. Other Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Net gain/ (loss) on derecognition of Property, Plant and Equipment	0.29	0.34	0.09
Others	260.53	36.31	34.64
Total	**260.82**	**36.65**	**34.73**

Asset Reconstruction Company (India) Limited

Notes to Restated Consolidated Financial Statements for the year ended March 31, 2025

(Rs. In Millions)

26. Finance Costs

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**	**Year ended March 31, 2023**
On Financial Liabilities measured at Amortised Cost			
Interest on borrowings	113.01	60.01	14.65
Others	0.30	1.37	1.33
Total	**113.31**	**61.38**	**15.98**

27. Impairment of Financial Instruments/ Financial Assets

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Impairment on financial assets at Amortised Cost			
Fees and expenses	28.46	19.43	(106.61)
Loans	(0.00)	(0.00)	(127.19)
Total	**28.46**	**19.43**	**(233.80)**

28. Employee Benefits Expenses

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Salaries and wages	567.92	517.91	513.86
Contribution to provident and other funds	33.56	31.96	27.47
Staff welfare expenses	7.94	6.73	6.45
Total	**609.41**	**556.59**	**547.79**

29. Depreciation, amortization and impairment

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Depreciation of Tangible Assets	13.05	12.62	14.44
Amortization of Intangible Assets	2.66	0.90	0.73
Depreciation on Right to use Leasehold assets	5.82	5.80	6.24
Total	**21.53**	**19.32**	**21.41**

(Rs. In Millions)

30. Unrealised Fees, Expenses Recoverable and Investment in Security Receipt w/off

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Unrealised Management fees written off	1.40	8.59	1.60
Unbilled Management fees written off	13.05	93.67	773.52
Unrealised Expenses Recoverable from Trusts	148.67	340.92	519.94
Investment in Security Receipts Written off	204.01	49.46	2,491.28
Total	**367.13**	**492.64**	**3,786.34**

31. Other Expenses

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Rent, taxes and energy cost	80.71	92.59	33.13
Repairs and maintenance	33.93	23.48	19.37
Communication Costs	1.26	1.08	1.15
Advertisement and publicity	7.49	7.43	5.58
Director's fees, allowances and expenses	13.99	13.15	8.70
Auditor's fees and expenses			
- Audit fees	7.49	5.51	5.28
- Tax Audit fees	0.51	0.51	0.42
- For Other Services	-	0.24	0.22
- For Reimbursement of Expenses	0.18	0.06	0.09
Legal Expenses	210.95	193.72	92.34
Professional Charges	89.02	95.73	62.10
Security Charges	12.59	7.72	8.90
Insurance	10.96	0.58	1.11
Travelling, Boarding & Lodging expenses	22.96	15.37	14.78
Contribution towards Corporate Social Responsibility	61.93	26.20	4.87
Other expenditure	72.99	76.20	(132.37)
Total	**626.94**	**559.56**	**125.66**

32 The major components of the tax expense for the quarter ended March 31, 2025 and year ended March 31, 2024 and year ended March 31, 2023

(Rs. In Millions)

Sr. No.	Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
	Consolidated statement of Profit & Loss			
(a)	(i) Profit & loss section			
	Current Income Tax :			
	Current Income Tax charge	868.88	1,113.94	357.21
	MAT credit utilised/ entitlement	-	-	-
	Effect of prior period Adjustments	-	-	-
	Deferred Tax:			
	Relating to originating and reversal of temporary differences	350.31	(75.40)	466.67
	MAT credit utilised/ entitlement	-	-	-
	Income Tax expense reported in the statement of Profit & Loss	**1,219.19**	**1,038.54**	**823.88**
(b)	Other Comprehensive Income (OCI) Section			
	Current Income Tax :			
	Net gain/ (loss) on remeasurement of defined benefit plans	4.36	4.54	1.69
	Income Tax expense reported in OCI section	**4.36**	**4.54**	**1.69**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic Tax rate for the period ended March 31, 2025 and March 31, 2024 and March 31, 2023

(Rs. In Millions)

Sr. No.	Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
1	(Loss) / Profit before Tax	4,311.58	4,147.42	3,863.28
2	Applicable Tax Rate	25.17%	25.17%	25.17%
3	PBT * Applicable Tax Rate (1*2)	1,085.14	1,043.82	972.31
4	Item leading to difference in effective tax rate compared to statutory tax rate:			
(a)	Difference in tax for items which are not allowed as deduction	129.13	(8.28)	(160.47)
(b)	Effect of Deferred tax items	4.93	3.00	12.04
(c)	Effect of prior period adjustments	-	-	-
(d)	Deferred tax impact due to change in tax rate	-	-	-
(c)	Other items (including MAT Credit)	-	-	-
	Total	134.06	(5.28)	(148.43)
	Tax expense recognised during the period (3+4)	**1,219.19**	**1,038.54**	**823.88**

Component of Deferred Tax Assets and Liabilities recognised in Balance Sheet and Statement of Profit & loss (Rs. In Millions)

Sr. No.	Component of Deferred Tax (Assets)/ Liabilities	Balance Sheet			Statement of Profit & Loss		
	Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**	**Year ended March 31, 2023**	**Year ended March 31, 2025**	**Year ended March 31, 2024**	**Year ended March 31, 2023**
1	Expected Credit Loss	(52.95)	(43.15)	(37.14)	(9.80)	(6.02)	58.72
2	Provision for doubtful debt and advance	(0.44)	(0.29)	(0.43)	(0.15)	0.14	(0.04)
3	Provision for litigations	(59.12)	(59.12)	(59.12)	-	-	-
4	Provision for compensated absences disallowed u/s 43B	(5.18)	(4.69)	(3.53)	(0.49)	(1.16)	(0.29)
5	Difference in book and Income Tax depreciation	50.06	48.76	46.54	1.30	2.21	2.23
6	Fair Valuation change	526.97	168.46	236.27	358.51	(67.81)	397.92
7	MAT credit utilised/ entitlement	-	-	-	-	-	-
8	Others	(2.78)	(3.73)	(0.97)	0.94	(2.76)	8.13
	Deferred Tax Expense/ (income)				**350.31**	**(75.40)**	**466.67**
	Net Deferred Tax (Assets)/ Liabilities	**456.55**	**106.24**	**181.64**			

Reconciliation of the deferred tax expense for the year ended March 31, 2025 (Rs. In Millions)

Sr. No.	Particulars	Opening Balance as on April 01, 2024	Tax income/ (expense) during the year recognised statement of Profit/ Loss under Profit/Loss section	Tax income/ (expense) during the year recognised statement of Profit/ Loss under OCI section	Deferred Tax due Fair Value Change	Closing Balance as on March 31, 2025
1	Expected Credit Loss	(43.15)	(9.80)	-	-	(52.95)
2	Provision for doubtful debt and advance	(0.29)	(0.15)	-	-	(0.44)
3	Provision for litigations	(59.12)	-	-	-	(59.12)
4	Provision for compensated absences disallowed u/s 43B	(4.69)	(0.49)	-	-	(5.18)
5	Difference in book and Income Tax depreciation	48.76	1.30	-	-	50.06
6	Fair Valuation change	168.46	358.51	-	-	526.97
7	Others	(3.73)	0.94	-	-	(2.78)
	Total	**106.24**	**350.31**	**-**	**-**	**456.55**

Reconciliation of the deferred tax expense for the year ended March 31, 2024 (Rs. In Millions)

Sr. No.	Particulars	Opening Balance as on April 01, 2023	Tax income/ (expense) during the year recognised statement of Profit/ Loss under Profit/Loss section	Tax income/ (expense) during the year recognised statement of Profit/ Loss under OCI section	Deferred Tax due Fair Value Change	Closing Balance as on March 31, 2024
1	Expected Credit Loss	(37.14)	(6.02)	-	-	(43.15)
2	Provision for doubtful debt and advance	(0.43)	0.14	-	-	(0.29)
3	Provision for litigations	(59.12)	-	-	-	(59.12)
4	Provision for compensated absences disallowed u/s 43B	(3.53)	(1.16)	-	-	(4.69)
5	Difference in book and Income Tax depreciation	46.54	2.21	-	-	48.76
6	Fair Valuation change	236.27	(67.81)	-	-	168.46
8	Others	(0.97)	(2.76)	-	-	(3.73)
	Total	**181.64**	**(75.40)**	**-**	**-**	**106.24**

Reconciliation of the deferred tax expense for the year ended March 31, 2023 (Rs. In Millions)

Sr. No.	Particulars	Opening Balance as on April 01, 2022	Tax income/ (expense) during the year recognised statement of Profit/ Loss under Profit/Loss section	Tax income/ (expense) during the year recognised statement of Profit/ Loss under OCI section	Deferred Tax due Fair Value Change	Closing Balance as on March 31, 2023
1	Expected Credit Loss	(95.86)	58.72	-	-	(37.14)
2	Provision for doubtful debt and advance	(0.39)	(0.04)	-	-	(0.43)
3	Provision for litigations	(59.12)	-	-	-	(59.12)
4	Provision for compensated absences disallowed u/s 43B	(3.24)	(0.29)	-	-	(3.53)
5	Difference in book and Income Tax depreciation	44.31	2.23	-	-	46.54
6	Fair Valuation change	(161.65)	397.92	-	-	236.27
7	MAT credit utilised/ entitlement	-	-	-	-	-
8	Others	(9.10)	8.13	-	-	(0.97)
	Total	**(285.04)**	**466.67**	**-**	**-**	**181.64**

There are no items on which deferred tax asset has not been recognised in the Balance Sheet

33 Employee Benefits:

1 Employee benefits include Provident Fund, Employee State Insurance Scheme (ESIC), Pension, Superannuation, Gratuity and compensated absences.

i) Defined Contribution Plans:

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the Employees' Provident Fund, ESIC, Family Pension Fund, Superannuation Fund and National Pension Scheme. The company's payments to the defined contribution plans are reported as expenses in the year in which the employees perform the services that the payment covers. During the current year, on account of Defined Contribution Plans, the Company has charged Rs.24.80 Millions (FY24: Rs.24.66 Millions) (FY23: Rs.18.80 Millions) to Statement of Profit & Loss.

ii) Defined Benefit Plans:

(A) Gratuity

Expenses for defined-benefit plans are calculated as at each balance sheet date by independent actuaries. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working period of employees. Incremental liability based on the projected unit credit method as at the reporting date, is charged to the Statement of Profit and Loss. The actuarial gains / losses are accounted in the Statement of Profit and Loss. Excess of fair value of Plan Assets over Defined Benefit Obligation is not recognised on grounds of prudence.

The Company makes a provision for gratuity and compensated absences based on Acturial Reports

Employee benefit plans

The principal assumptions used for the purposes of the actuarial valuations were as follows.

(Rs. In Millions)

Particulars	**As at March 31, 2025**	**As at March 31, 2024**	**As at March 31, 2023**
Discount rate(s)	6.72% p.a.	7.20% p.a.	7.46% p.a.
Expected rate(s) of salary increase	7.50% p.a.	5% p.a.	5% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

Amounts recognised in the statement of profit and loss in respect of these defined benefit plans are as follows.

(Rs. In Millions)

Particulars	**As at March 31, 2025**	**As at March 31, 2024**	**As at March 31, 2023**
Service cost:			
Current service cost	9.04	6.90	5.94
Past service cost and (gain)/loss from settlements	-	-	-
Net interest expense	1.18	0.40	2.73
Components of defined benefit costs recognised in profit or loss	**10.21**	**7.30**	**8.67**
Remeasurement on the net defined benefit liability:			
Return on plan assets (excluding amounts included in net interest expense)	(0.16)	(1.88)	(0.39)
Actuarial (gains) / losses arising from changes in financial assumptions	14.22	1.09	(0.63)
Actuarial (gains) / losses arising from experience adjustments	3.27	18.81	4.50
Actuarial (gains) / losses arising from demographic assumptions	-	-	3.21
Components of defined benefit costs recognised in other comprehensive income	**17.33**	**18.03**	**6.69**
Total	**27.54**	**25.33**	**15.36**

The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:

(Rs. In Millions)

Particulars	**As at March 31, 2025**	**As at March 31, 2024**	**As at March 31, 2023**
Present value of funded defined benefit obligation	(84.33)	(71.69)	(48.77)
Fair value of plan assets	71.75	55.36	43.41
Funded status	(12.58)	(16.33)	(5.36)
Restrictions on asset recognised			
Others [describe]			
Net liability arising from defined benefit obligation	**(12.58)**	**(16.33)**	**(5.36)**
Current Liability	(12.58)	(13.90)	(5.36)
Non-Current Liability	-	(2.43)	

Movements in the present value of the defined benefit obligation are as follows *(Rs. In Millions)*

Particulars	**As at March 31, 2025**	**As at March 31, 2024**	**As at March 31, 2023**
Opening defined benefit obligation	71.69	48.77	52.16
Current service cost	9.04	6.90	5.94
Interest cost	5.14	3.64	3.51
Remeasurement (gains)/losses:			
Actuarial gains and losses arising from changes in demographic assumptions			
Actuarial gains and losses arising from changes in financial assumptions	14.22	1.09	(0.63)
Actuarial gains and losses arising from experience adjustments	3.27	18.81	4.50
Actuarial (gains) / losses arising from demographic assumptions	-	-	3.21
Benefits paid	(19.02)	(7.53)	(19.93)
Closing defined benefit obligation	**84.33**	**71.69**	**48.77**

Movements in the fair value of the plan assets are as follows *(Rs. In Millions)*

Particulars	**As at March 31, 2025**	**As at March 31, 2024**	**As at March 31, 2023**
Opening fair value of plan assets	55.36	43.41	14.49
Interest income	3.97	3.24	0.78
Contributions by the Employer	-	-	-
Remeasurement gain (loss):	31.29	14.36	47.68
Return on plan assets (excluding amounts included in net interest expense)	0.16	1.88	0.39
Contributions from the employer	-	-	-
Benefits paid	(19.02)	(7.53)	(19.93)
Closing fair value of plan assets	**71.76**	**55.36**	**43.41**

(Rs. In Millions)

Category of Assets	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	-	-	-
State Government Securities	-	-	-
Special Deposits Scheme	-	-	-
Debt Instruments	-	-	-
Corporate Bonds	-	-	-
Cash And Cash Equivalents	-	-	-
Insurance fund	71.76	55.36	43.41
Asset-Backed Securities	-	-	-
Structured Debt	-	-	-
Other	-	-	-
Total	**71.76**	**55.36**	**43.41**

Risks associated with defined benefit plan
Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

Sensitivity Analysis *(Rs. In Millions)*

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Projected Benefit Obligation on Current Assumptions	84.33	71.69	48.77
Delta Effect of +1% Change in Rate of Discounting	(5.29)	(4.03)	(2.78)
Delta Effect of -1% Change in Rate of Discounting	6.02	4.54	3.12
Delta Effect of +1% Change in Rate of Salary Increase	5.92	4.59	3.17
Delta Effect of -1% Change in Rate of Salary Increase	(5.30)	(4.15)	(2.87)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.57)	0.45	0.38
Delta Effect of -1% Change in Rate of Employee Turnover	0.61	(0.51)	(0.43)

Maturity Profile of Defined Benefit Plans *(Rs. In Millions)*

Projected Benefits Payable in Future Years From the Date of Reporting	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
1st Following Year	9.45	9.08	6.09
2nd Following Year	10.73	5.48	3.70
3rd Following Year	8.32	14.20	4.74
4th Following Year	9.16	7.74	9.61
5th Following Year	7.21	8.22	5.32
Sum of Years 6 To 10	27.51	24.34	19.06
Sum of Years 11 and above	75.25	55.67	38.48

(B) Compensated Absences:
a) Assets & Liabilities Recognized in the Financial Statement

(Rs. In Millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Non-Current Liabilities	13.78	12.34	9.16
Current Liabilities	6.61	6.10	4.67
Total	**20.40**	**18.44**	**13.83**

b) Actuarial Assumptions :

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Discount rate	6.72%	7.20%	7.46%
Future Salary Rise	7.50%	5.00%	5.00%
Attrition Rate :			
- For service 4 yrs & below	10.00%	10.00%	10.00%
- For service 5 yrs & below	7.00%	7.00%	7.00%

34 Earnings Per Share (EPS)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Profit / (Loss) attributable to equity shareholders for basic/ diluted earnings per share after tax (Rs. In Millions)	3,295.08	3,304.65	2,865.99
No. of Shares	32,48,97,140	32,48,97,140	32,48,97,140
Weighted Average no. of equity shares outstanding during the period for basic/ diluted earnings per share	32,48,97,140	32,48,97,140	32,48,97,140
EPS (Basic and Diluted - Rs. Per share)	10.14	10.17	8.82
Nominal value per share - Rs per share	10	10	10

35 Category wise Financial Assets and Financial Liabilities (Rs. In Millions)

As at March 31, 2025				
Particulars	**Amortised Cost**	**Fair value**		
		FVTPL	**FVTOCI**	**Total carrying Value**
Financial Assets				
- Cash & Cash Equivalents	1,832.53	-	-	1,832.53
- Bank balance and other than Cash & Cash Equivalents	7,137.79	-	-	7,137.79
- Trade receivables	538.80	-	-	538.80
- Investment in Equity	-	231.11	-	231.11
- Investment in Mutual Fund		400.29		400.29
- Investment in SRs	-	10,584.55	-	10,584.55
- Loans	21,586.46	-	-	21,586.46
- Deposits	116.40	-	-	116.40
- Recoverable from Trusts and Others	81.55	-	-	81.55
- Advance recoverable towards Management fees	-	-	-	-
- Accrued income on Investment	-	-	-	-
Total	**31,293.54**	**11,215.95**	**-**	**42,509.48**
Financial Liabilities				
- Trade payable	18.54	-	-	18.54
- Bank Borrowings	3,059.86	-	-	3,059.86
- Security Receipts	-	6,254.51	-	6,254.51
- Recovery on behalf of Trust and other Constituents	41.23	-	-	41.23
- Others	6,110.40	-	-	6,110.40
- Liability for Leases	6.27	-	-	6.27
- Liability for expenses	128.60	-	-	128.60
- Liability for Unspent CSR	-	-	-	-
- Dividend Payable	-	-	-	-
Total	**9,364.90**	**6,254.51**	**-**	**15,619.41**

(Rs. In Millions)

As at March 31, 2024				
Particulars	**Amortised Cost**	**Fair value**		
		FVTPL	**FVTOCI**	**Total carrying Value**
Financial Assets				
- Cash & Cash Equivalents	3,592.64	-	-	3,592.64
- Bank balance and other than Cash & Cash Equivalents	6,163.65	-	-	6,163.65
- Trade receivables	623.11	-	-	623.11
- Investment in Equity	-	233.41	-	233.41
- Investment in SRs	-	8,904.14	-	8,904.14
- Loans	14,483.88	-	-	14,483.88
- Deposits	65.40	-	-	65.40
- Recoverable from Trusts and Others	126.29	-	-	126.29
- Advance recoverable towards Management fees	-	-	-	-
- Accrued income on Investment	-	-	-	-
Total	**25,054.97**	**9,137.54**	**-**	**34,192.51**
Financial Liabilities				
- Trade payable	14.22	-	-	14.22
- Bank Borrowings	1,499.47	-	-	1,499.47
- Security Receipts	-	3,316.41		3,316.41
- Recovery on behalf of Trust and other Constituents	48.13	-	-	48.13
- Others	6,502.65			6,502.65
- Liability for Capital expenses	-	-	-	-
- Liability for Leases	13.88	-	-	13.88
- Liability for expenses	144.57	-	-	144.57
- Liability for Unspent CSR	20.26	-	-	20.26
Total	**8,243.19**	**3,316.41**	**-**	**11,559.60**

(Rs. In Millions)

As at March 31, 2023				
Particulars	**Amortised Cost**	**Fair value**		
		FVTPL	**FVTOCI**	**Total carrying Value**
Financial Assets				
- Cash & Cash Equivalents	2,442.73	-	-	2,442.73
- Bank balance and other than Cash & Cash Equivalents	3,484.45	-	-	3,484.45
- Trade receivables	496.85	-	-	496.85
- Investment in Equity	-	180.73	-	180.73
- Investment in SRs	-	10,720.37	-	10,720.37
- Loans	7,924.55	-	-	7,924.55
- Deposits	16.64	-	-	16.64
- Recoverable from Trusts and Others	75.03	-	-	75.03
- Advance recoverable towards Management fees	-	-	-	-
- Accrued income on Investment	-	-	-	-
Total	**14,440.24**	**10,901.10**	**-**	**25,341.34**
Financial Liabilities				
- Trade payable	3.40	-	-	3.40
- Bank Borrowings	1,180.13	-	-	1,180.13
- Security Receipts	-	978.39		978.39
- Recovery on behalf of Trust and other Constituents	97.08	-	-	97.08
- Others	1,808.43			1,808.43
- Liability for Capital expenses	-	-	-	-
- Liability for Leases	17.37	-	-	17.37
- Liability for expenses	91.21	-	-	91.21
- Liability for Unspent CSR	18.04	-	-	18.04
Total	**3,215.66**	**978.39**	**-**	**4,194.05**

36 Fair Value measurements recognised on the Balance Sheet

(Rs. In Millions)

As at March 31, 2025				
	Level 1	**Level 2**	**Level 3**	**Total**
Financial Assets				
- Investment in Equity	231.11	-	-	231.11
- Investment in Mutual Fund	400.29	-	-	400.29
- Investment in SRs	-	-	10,584.55	10,584.55

(Rs. In Millions)

As at March 31, 2024				
	Level 1	**Level 2**	**Level 3**	**Total**
Financial Assets				
- Investment in Equity	233.41	-	-	233.41
- Investment in SRs	-	-	8,904.14	8,904.14

As at March 31, 2023				
	Level 1	**Level 2**	**Level 3**	**Total**
Financial Assets				
- Investment in Equity	180.73	-	-	180.73
- Investment in SRs	-	-	10,720.37	10,720.37

This explains the judgments and estimate made in determining the Fair Value of financial instruments that are (a) recognised and measured at Fair Value (b) measured at amortised cost and for which fair values are disclosed in the financial statements. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of following three levels:

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted price. This includes listed equity shares, traded bonds, mutual funds, etc., that have quoted price.

Level 2 : The fair value of financial instruments that are not traded in active market is determined using valuation techniques which maximise the use of observable market data and rely as little possible on entity specific estimates. If all significant inputs required for determining fair value of an financial instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant input is not based on observable market data, the instrument is included in Level 3.

Valuation Methodologies

Quoted market prices in active markets are available for investments in equity and, as such, these instruments are classified within Level 1.

Investments: The Companies investments primarily consists of Investments in SRs. Fair value of investments in Security Receipts are classified as Fair Value through Profit & loss, and are determined using NAV by Rating Agencies as specified by RBI Guidelines and are classified as Level 3. The ratings are based on recovery rating scale.

Fair value of Financial Assets and Financial Liabilities, measured at Amortised Cost

Management has assessed that all financial assets and financial liabilities measured at amortised cost approximates their fair value.

37 Maturity profile of Financial Liabilities, including future interest

(Rs. In Millions)

As at March 31, 2025

Particulars	Less than 1 year	More than 1 year	Carrying Amount
Trade Payables	18.54	-	18.54
Borrowings	2,309.86	750.00	3,059.86
Other Financial Liabilities	6,283.57	2.93	6,286.49
Security Receipts	6,254.51	-	6,254.51
	14,866.49	**752.93**	**15,619.41**

As at March 31, 2024 (Rs. In Millions)

Particulars	Less than 1 year	More than 1 year	Carrying Amount
Trade Payables	14.22	-	14.22
Borrowings	999.47	500.00	1,499.47
Other Financial Liabilities	6,721.46	8.03	6,729.49
Security Receipts	3,316.41	-	3,316.41
	11,051.57	**508.03**	**11,559.61**

As at March 31, 2023 (Rs. In Millions)

Particulars	Less than 1 year	More than 1 year	Carrying Amount
Trade Payables	3.40	-	3.40
Borrowings	1,180.13		1,180.13
Other Financial Liabilities	2,020.57	11.56	2,032.13
Security Receipts	978.39	-	978.39
	4,182.50	**11.56**	**4,194.06**

38 Financial Risk Management

The Company is exposed to market risk, credit risk and liquidity risk, which may impact the fair value of its financial instruments. The Company has a risk management policy to manage and mitigate these risks.

Market Risk

Market risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of foreign currency risk and interest rate risk. The Company is primarily exposed to interest rate risk.

(i) Foreign Currency Risk

Foreign Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in market prices. Market risk comprises of foreign currency risk and interest exposure to the risk of changes in exchange rate as there are no off-shore business transactions.

(ii) Interest Rate Risk

Interest Rate Risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's investments are primarily in fixed deposits and security receipts issued by trusts. The Company's exposure to the risk of changes is market rates relates primarily to the Company's debt obligations with floating interest rates. Hence the Company is not significantly exposed to interest rate risk.

(B) Credit Risk

Financial Instruments that potentially subject the Company to concentration of Credit risk consist principally of trade receivables, unbilled revenue, investment securities and other recoverable from trusts. By their nature, all such financial instruments involve risks, including the credit risk of non-performance by counterparties i.e. trusts. However, the Company being trustee of all the trusts managed by it, the priority of receivables/ outstanding is a priority as per the waterfall mechanism defined Trust Deed/ Offer Document. Hence, the Company is not significantly exposed to credit risk.

(C)Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities. The investment philosophy of the Company is capital preservation and liquidity in preference to returns. Although the investments in security receipts are not tradable in market , the Company consistently generates sufficient cash flows from operations and has access to other sources of funding to meet the financial obligations and maintain adequate liquidity for use.

Reconciliation of Gross Carrying Amount -

A) Trade Receivables (Rs. In Millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Gross carrying Amount (Opening Balance)	680.29	542.66	1,048.58
Add: Origination of the Trade Receivables during the period / year	1,275.95	1,520.54	1,784.61
Less: Recoveries from Trade Receivables during the period / year	1,752.29	1,954.96	1,870.03
Less: Trade Receivables Written-off/ (Write-back)	(418.95)	(572.06)	420.52
Gross carrying Amount (Closing Balance)	**622.91**	**680.29**	**542.66**

B) Funded Interest - clubbed under Recoverable from Trusts (Rs. In Millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Gross carrying Amount (Opening Balance)	9.31	32.39	271.80
Add: Assets Originated	29.81	16.40	66.07
Less: Net recoveries from Trusts	119.34	316.53	63.90
Less: Net Assets Written-off/ (Write-back)	(89.95)	(277.05)	241.59
Gross carrying Amount (Closing Balance)	**9.74**	**9.31**	**32.39**

Reconciliation of Expected Credit Loss (ECL) -

A) Trade Receivables (Rs. In Millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Impairment Loss Allowance (Opening Balance)	57.18	45.80	112.40
Changes in Impairment Loss Allowance due to -			-
Add: Origination of the Trade Receivables during the period / year	107.26	128.33	191.30
Less: Recoveries from Trade Receivables during the period / year	147.30	165.00	200.45
Less: Trade Receivables Written-off	(35.22)	(48.29)	45.08
Change in Estimates	31.74	(0.24)	(12.37)
Impairment Loss Allowance (Closing Balance)	**84.10**	**57.18**	**45.80**

B) Funded Interest - clubbed under Recoverable from Trusts (Rs. In Millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Impairment Loss Allowance (Opening Balance)	9.53	1.08	41.09
Changes in Loss Allowance due to -			
Add: Assets Originated	30.52	0.55	9.99
Less: Net recoveries from Trusts	122.15	10.59	9.66
Less: Net Assets Written-off/ (Write-back)	(92.07)	(9.27)	36.52
Change in Estimates	(9.75)	9.22	(3.81)
Gross carrying Amount (Closing Balance)	**0.21**	**9.53**	**1.08**

(D) Operational Risk

The Company controls operational risks to ensure that operational losses (financial or reputational), including any related to conduct of business matters, do not cause material damage to the Company.

(E) Reputational Risk

The Company protects is reputation from material damage by ensuring that any business activity is satisfactorily assessed and managed by the appropriate level of management and governance oversight.

(F) Compliance Risk

The Company has no appetite for breaches in laws and regulation, while recognising that, regulatory non-compliance cannot be entirely avoided, the Company strives to reduce this to an absolute minimum.

39 Market (Price) risk sensitivity - Equity

a. Investment in Security receipts

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Investment in Security receipts	10,584.56	8,904.13	10,720.37
Increase /Decrease in the unobservable input	5.00%	5.00%	5.00%
FV Increase	588.29	476.02	552.22
FV Decrease	(588.29)	(476.02)	(552.22)
Significant unobservable inputs	Estimated cash flow based on realisation of collaterals value, etc.		

b. Equity

The sensitivity analysis based on the exposure to the equity price risks at the end of the reporting period.

(Rs. In Millions)

Particulars	As at March 31, 2025
Equity Instruments	228.26
+5.61%	241.06
-5.61%	215.46

Particulars	As at March 31, 2024
Equity Instruments	233.41
+7.74%	251.47
-7.74%	215.35

Particulars	As at March 31, 2023
Equity Instruments	180.73
+7.95%	195.10
-7.95%	166.36

40 Capital Management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through loans and operating cashflows generated. The Company is not subject to externally imposed capital requirements.

The Company's strategy is to maintain optimum gearing ratio. The gearing ratios are as follows:

(Rs in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Cash/ Bank balance as per Books	1,832.53	3,592.64	2,442.68
Bank balance other than Cash and Cash Equivalents	972.52	540.90	1,929.16
Borrowings	3,059.86	1,499.47	1,180.13
Net Debt	254.82	-	-
Total Equity	26,631.41	24,265.14	22,441.56
Debt/ Equity Ratio	0.01	-	-

41 Corporate Social Responsibility

(Rs in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
a) Amount required to be spent by the company during the year	61.38	26.20	4.87
b) Amount of expenditure incurred	61.93	6.87	-
c) Shortfall at the end of the year	-	19.33	4.87
d) Total of previous years shortfall	-	0.93	18.04
e) Nature of CSR activities	Healthcare & Nutrition, Education, Environmental Sustainability		

*Two ongoing CSR Projects for FY 22-23 and 2 ongoing CSR Project for FY 23-24 are due for completion at the end of the FY. Of the total unspent CSR Funds of FY 23-24 – Rs 19.33 millions and a sum of Rs 3.05 millions is due to spent on 2 ongoing projects of FY23-24 and the balance unspent CSR funds - Rs 16.29 millions is being transferred to PM Cares fund.

**Six ongoing CSR Projects for FY20-21 and 1 ongoing CSR Project for FY21-22 have been completed during FY22-23 – CSR Projects for implementation have been reviewed during FY22-23 and will be implemented as ongoing projects.

42 Details of expenditure and Income in foreign currency:

a. Expenditure in Foreign currency (Rs in Millions)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Software Expenses & Maintenance	2.02	1.17	0.88
Total	**2.02**	**1.17**	**0.88**

b.Income in Foreign currency (Rs in Millions)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Income in Foreign currency	-	-	-

43 Revenue from contracts with customers

Disaggregated Revenue

The table below represents disaggregated revenues from contracts with customers by type of services, geographical market and timing of revenue recognition. The Management believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

(Rs. In Millions)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2024
Type of Services			
Fees Income	1,275.95	1,466.75	1,644.29
Total revenue from contract with customers	**1,275.95**	**1,466.75**	**1,644.29**
Geographical Markets			
India	1,275.95	1,466.75	1,644.29
Outside India	-	-	-
Total revenue from contract with customers	**1,275.95**	**1,466.75**	**1,644.29**
Timing of revenue recognition			
Services transferred at a point in time	-	-	-
Services transferred over time	1,275.95	1,466.75	1,644.29
Total revenue from contract with customers	**1,275.95**	**1,466.75**	**1,644.29**

Contract balance (Rs. In Millions)

Particulars	As at March 31. 2025	As at March 31. 2024	As at March 31. 2023
Trade Receivables (Before Impairment Loss Allowance (ECL)	622.91	680.29	542.66

44 Related Party Transactions

As per Ind AS 24 'Related Party Disclosures', the related party where control exists or where significant influence exists and with whom transactions have taken place are as below:

Associates

	Trust Name	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
1	Arcil-AST-003-IV-Trust	Yes	Yes	Yes
2	Arcil-CPS-081-I-Trust	Yes	Yes	Yes
3	Arcil-SBPS-022-II Trust	Yes	Yes	Yes
4	Arcil-SBPS-022-III-Trust	Yes	Yes	Yes
5	Arcil-SBPS-022-IV Trust	Yes	Yes	Yes
6	ARCIL-TRUST-2024-001	Yes	Yes	-
7	Arcil-Retail Port-046-A-T	Yes	Yes	Yes
8	Arcil Retail Portfolio-022-A Trust	Yes	Yes	Yes
9	Arcil-CPS-002-V Trust-Scheme A	Yes	Yes	Yes
10	Arcil – Trust -2025 – 013	Yes	-	-
11	Arcil – Trust -2025 – 012	Yes	-	-
12	Arcil – Trust -2025 – 018	Yes	-	-
13	Arcil-AST-001-VII-Trust (upto 27.03.2025)	Yes	Yes	Yes

Holding Company

Avenue India Resurgence Pte. Ltd

Key Management Personnel

Mr. Pallav Mohapatra (CEO & Managing Director)
Mr. Pramod Gupta (Chief Financial Officer)
Mr. Ameet Kela (Company Secretary)
Mr. Narayanan Subramaniam (Chairman w.e.f. 01.04.2025, Independent Director)
Mr. Pavan Pal Kaushal (Chairman till 31.03.2025 , Independent Director)
Mr. Sudarshan Sen (Sponsored Director, representative of Avenue India Resurgence Pte. Ltd)
Mr. Ashish Shukla (Sponsored Director, representative of Avenue India Resurgence Pte. Ltd)
Mr. Ashok Kumar Sharma (Nominee Director) (w.e.f. 26.12.2024)
Mr. Balachander Rajaraman (Independent Director)
Ms. Raksha Kothari (Independent Director) (w.e.f 16.04.2024)
Mr.Anil Gorthy (Chairman,Sponsored Director, representative of Avenue India Resurgence Pte. Ltd)(till 13.11.2023)
Mr. Pradeep Kumar Panja (Independent Director) (till 22.06.2024)
Mr. Salee Sukumaran Nair (Nominee Director) (till 21.08.2024)
Mr. Srinivasa Rao(Nominee director of State Bank of India) (till 31.10.2023)
Mr. Natarajan Sundar (Nominee director of State Bank of India) (till 30.04.2022)
Mr. Rakesh Grover (Nominee director of Punjab National Bank) (till 29.03.2023)
Mr. Shailendra Nadkarni (Nominee Director of IDBI Bank) (till 18.05.2022)
Mr. Partha dey (Nominee Director of ICICI Bank Ltd.) (till 19.05.2022)
Ms. Gopika Pant (Independent Director) (till 08.03.2023) $

Asset Reconstruction Company (India) Limited
Notes to Restated Consolidated Financial Statements for the year ended March 31, 2025

(Rs. In Millions)

Particulars	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	Holding	Associates	Holding	Associates	Holding	Associates
1) Income from trusts managed by Arcil						
a. Fees & Other Income	-	**40.76**	-	**52.53**	-	**33.45**
Arcil-CPS-081-I-Trust						17.08
Others	-	40.76	-	52.53	-	16.37
b. Interest Income	-	**0.40**	-	**0.61**	-	**0.18**
Others	-	0.40	-	0.61	-	0.18
c. Other Operating Income	-	**6.08**	-	**22.86**	-	**16.06**
Others	-	6.08	-	22.86	-	16.06
d. Other Income	-	**1.89**	-	**1.43**	-	**0.78**
Arcil-CPS-081-I-Trust		-		0.93		
ARCIL-TRUST-2024-001		1.47				
Others	-	0.43	-	0.50	-	0.78
e. Recovery of Security Receipts, Unrealized Fee & Expenses (written off earlier)	-	**2.77**	-	**0.02**	-	**5.89**
Others	-	2.77	-	0.02	-	5.89
f. Write off of Security Receipts, Unrealized Fee & Expenses		**25.36**		**0.61**		**5.52**
Arcil-SBPS-022-IV Trust		23.68		-		-
Others		1.68		0.61		5.52
g. Impairment of Financial Instruments/ Financial Assets		**(0.42)**		**0.72**		**(0.02)**
Arcil-CPS-081-I-Trust		-		0.50		
Arcil-AST-003-IV-Trust		-		-		0.06
Others		(0.42)		0.22		(0.08)
2) Investments made during the year	-	**402.60**	-	**280.00**	-	**183.90**
Others	-	402.60	-	280.00	-	183.90
3) Redemption during the year	-	**75.57**	-	**77.52**	-	**20.38**
Others	-	75.57	-	77.52	-	20.38
4) Recoverable from trusts managed by Arcil						
a. Fees & expenses	-	**5.00**	-	**4.27**	-	**5.05**
Others	-	5.00	-	4.27	-	5.05
b. Investments	-	**747.96**	-	**501.79**	-	**315.83**
Others	-	747.96	-	501.79	-	315.83
5) Dividend Paid/Payable	**339.85**	-	**566.42**	-	**194.06**	-
Avenue India Resurgence Pte. Ltd	339.85	-	566.42	-	194.06	-

Elimination of Subisidiaries Transactions (Disclosed as per Schedule VI (Para 11(I)(A)(i)(g) of SEBI ICDR Regulations

(Rs. In Millions)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
	Subsidiaries	Subsidiaries	Subsidiaries
1) Income from trusts managed by Arcil			
a. Fees & Other Income	**443.11**	**321.96**	**90.27**
Arcil-CPS-II-Trust	56.06	60.61	18.23
Arcil-Trust-2025-008	58.71	-	-
ARCIL-CPS-IV-Trust	145.48	169.41	-
Arcil-CPS-081-I-Trust	-	-	-
Arcil-CPS-008-II-Trust	-	-	28.63
Others	182.86	91.94	43.40
b. Interest Income	**8.95**	**61.84**	**17.05**
Arcil-Retail Loan Portfolio-092-A-Trust	1.75	-	-
Arcil-CPS-002-IX Trust	-	35.77	-
Arcil-Uday Estates Pvt. Ltd. Trust	-	10.55	-
Arcil-PSL II Trust	-	-	1.81
Arcil-AST-024-II-Trust	-	-	1.92
Arcil-AST-001-X-Trust	-	-	4.62
Arcil-AST-IV-Trust	-	-	2.40
Others	7.20	15.52	6.29
		-	-
c. Other Operating Income	**753.88**	**424.99**	**1,228.65**
Arcil-SBPS-041-I-Trust	253.76	-	-
Arcil-JCT III Trust	-	72.08	-
Arcil-AARF-II-Trust-Scheme 1	-	95.28	-
Arcil-AST-003-I-Trust	-	49.87	334.53
Arcil-AST-039-I-Trust	-	-	209.25
Arcil-SBPS-008-I Trust	-	-	129.08
Others	500.12	207.76	555.79
d. Other Income	**11.01**	**5.52**	**6.63**
Arcil-CPS-081-I-Trust	-	-	-
ARCIL-CPS-IV-TRUST	1.52	-	-
Arcil-2024C-004 -Trust	1.49	-	-
Arcil-2024C-003 -Trust	1.49	-	-
ARCIL-TRUST-2024-001	-	-	-
Arcil-Retail Loan Portfolio-092-A-Trust	1.35	-	-
ARCIL-TRUST-2024-001	-	-	-
Others	5.15	5.52	6.63
e. Recovery of Security Receipts, Unrealized Fee & Expenses (written off earlier)	**181.84**	**1,402.93**	**370.09**
Arcil-CPS-006-III-Trust	-	438.74	-
Arcil-CPS-002-IX Trust	-	398.27	-
Arcil-SBPS-025-I Trust	-	244.33	-
Arcil-AARF-II-Trust-Scheme 1	47.52	-	-
Arcil-Vama Exports Ltd. Trust	27.49	-	-
Arcil-Daewoo Motors India Ltd Trust	23.59	-	-
Arcil-PSL II Trust	-	-	175.98
Arcil-AST-IV-Trust	-	-	118.59
Others	83.24	321.59	75.51
f. Write off of Security Receipts, Unrealized Fee & Expenses	**44.81**	**237.45**	**597.07**
Arcil-Kishore Dalal & Company Trust	-	75.73	-
Arcil-Daewoo Motors India Ltd Trust	13.61	-	-
Arcil-SBPS-022-IV Trust	-	-	-
Arcil-AST-001-VIII-Trust	-	-	177.21
Arcil-AST-034-III-Trust	-	-	163.31
Others	31.20	161.72	256.54
g. Impairment of Financial Instruments/ Financial Assets	**10.07**	**4.48**	**0.48**
Arcil-CPS-IV-Trust	-	4.86	-
Arcil-Retail Loan Portfolio-092-A-Trust	-	1.98	-
Arcil-SBPS 019-I Trust-Scheme B	-	0.51	-
Arcil-AST-001-XI-Trust	-	-	-
Arcil-CPS-II-Trust	2.86	-	1.63
Arcil-Trust-2025-008	2.91	-	-
Arcil-Trust-2025-015	1.59	-	-
Arcil-AST-001-X-Trust	-	-	0.86
ARCIL-AST-024-II-TRUST	-	-	0.25
Arcil-Shalimar Wires Industries Limited-IV Trust	-	-	0.14
Arcil-AST-001-XI-Trust	-	-	0.10
Arcil-SBPS-I-Trust	-	-	0.04
Arcil-AST-003-IV-Trust	-	-	
Others	2.71	(2.88)	(2.55)
2) Investments made during the period	**8,252.92**	**7,839.58**	**2,416.36**
Arcil-Trust-2025C-005	970.00	-	-
Arcil-Trust-2025C-013	1,200.00	-	-
Arcil-Trust-2025-008	896.34	-	-
Arcil – Trust -2025C – 018	1,100.00	-	-
ARCIL-CPS-IV-TRUST	-	1,750.00	-
Arcil-2024C-003 -Trust	-	1,493.03	-
Arcil-2024C-004 -Trust	-	1,402.99	-
Arcil-AST-090-I-Trust	-	1,250.00	-

Arcil-SBPS-I-Trust	-	-	779.50
Arcil-SBPS 073-I Trust	-	-	542.00
Arcil-CPS-II-Trust	-	-	520.03
Others	4,086.58	1,943.56	574.82
3) Redemption during the period	**3,354.66**	**3,961.73**	**1,896.26**
Arcil-2024C-004 -Trust	458.57	-	-
Arcil-Trust-2025C-013	484.58	-	-
Arcil-2024C-003 -Trust	381.47	-	-
Arcil-CPS-IV-Trust	-	920.72	-
Arcil-CPS-008-II-Trust	-	-	240.19
Arcil-AST-001-VIII-Trust	-	-	210.16
Others	2,030.04	3,041.01	1,445.91
4) Recoverable from trusts managed by Arcil			
a. Fees & expenses	**248.09**	**101.21**	**141.03**
Arcil-CPS-II-Trust	49.22	14.59	-
Arcil-Retail Loan Portfolio-092-A-Trust	-	23.98	-
ARCIL-CPS-IV-TRUST	69.49	58.92	-
Arcil-AST-001-XI-Trust		10.02	-
Arcil-Trust-2025-008	35.40	-	-
Arcil-AST-001-X-Trust	-	-	80.15
Arcil-AST-024-II-Trust	-	-	20.66
Arcil-CPS-II-Trust	-	-	20.07
Others	93.97	(6.30)	20.14
b. Investments	**16,812.61**	**11,790.42**	**7,088.70**
Arcil-AST-090-I-Trust	-	1,510.45	-
Arcil-2024C-003 -Trust	-	1,442.34	-
Arcil-2024C-004 -Trust	-	1,381.58	-
Arcil-SBPS-I-Trust	-	-	1,006.91
Arcil-SBPS 073-I Trust	-	-	766.89
Others	16,812.61	7,456.04	5,314.90
5) Dividend Paid/Payable			
Avenue India Resurgence Pte. Ltd	-	-	-

Compensation of key managerial personnel (Short term benefits)*

(Rs. In Millions)

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Short term employee benefits #	59.41	60.04	48.17
Post employment benefits#	2.04	2.04	1.69
Other benefits*	11.34	9.96	7.69
Legal Fees & Expenses paid $	-	-	1.71

* Other benefits includes directors sitting fees and commissions.

#The above amount does not include gratuity provision made, as the acturial valuation is done for company as a whole.

45 Contingent Liability and Commitments (to the extent not provided for)

(i) Contingent Liabilities:

(Rs. In Millions)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
a) Guarantees excluding financial guarantees			
- bank guarantee furnished by the Company	20.00	20.00	20.00
b) Others			
- Service Tax (Refer Note 1 below)			

Note:1 Directorate General of Central Excise Intelligence (DGCEI) and Office of Principal Commissioner of Service TAX-III has issued show cause notices demanding service tax to the extent of Rs. 561.04 Millions (apart from interest and penalty amount) relating to the period 16.05.2008 to 30.06.2017. Subsequently, an order has also been issued by Service Tax Commissionarate III, Mumbai in April 2017 demanding an amount of Rs. 458.51 Millions relating to the period 16.05.2008 to 31.03.2015 and the penalty as per order is Rs. 402.40 Millions whereas interest liability has not been quantified in the said order. Another order for the period of 01.04.2015 to 30.06.2017 issued by Office of the commissioner of CGST & Central Excise, Mumbai in June 2019 demanding amount of Rs 102.53 Millions and the penalty as per order is Rs.10.25 Millions whereas interest liability has not been quantified in the said order . Based on the legal opinion, the Company is confident of getting this order quashed and there is not expected to be any liability on the same. The Company has also preferred an appeal in the Tribunal against the order.

Although the Company believes that it has a strong case on the aforesaid matter, however considering the amount and the time involved in the settlement of the case, the Company has deposited an amount of Rs. 561.04 Millions "Under Protest" to freeze the interest liability.

No provision in this regard has been made in the accounts since no liability is expected to arise on the Company in this matter. The amount paid has been shown as "Paid to Government Authorites" under Note 12.

(ii) Commitments: (Rs in Millions)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Estimated amount of contracts remaining to be executed on capital and not provided for	1.29	3.57	1.38

46 Table Showing Contractual maturities of Lease Liabilities as at March 31, 2025 and March 31, 2024 and March 31, 2023:

Particulars	(Rs in Millions) As at March 31, 2025	(Rs in Millions) As at March 31, 2024	(Rs in Millions) As at March 31, 2023
Not later than one year	3.73	6.79	7.61
Later than one year and not later than five years	3.16	22.97	12.50
Later than five years	-	-	-
Total Undiscounted Lease Liabilities as on	**6.89**	**29.77**	**20.11**
Lease Liabilites included in the Statement of Financial Position			
Current	3.34	5.85	5.81
Non Current	2.93	8.03	11.56
Total	**6.27**	**13.88**	**17.37**

47 Intangible assets under development aging schedule
a)For Intangible assets under development (Rs in Millions)

As at March 31, 2025

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress-Software Platform for Wholesale Business	6.76	-	-	-	6.76
Projects temporarily suspended	Not Applicable				

b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan

	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangible assets Under development	Not Applicable				

As at March 31, 2024

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress-Software Platform for Wholesale Business	33.00	-	-	-	33.00
Projects temporarily suspended	Not Applicable				

b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan

	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	-
Intangible assets Under development	Not Applicable				

48 There are various cases/ claims filed against the Group by the Borrower, etc. which have been contested by the Group. As the cases are mostly frivolous and there are remote chances of any liability being devolved on the Group. Hence, no provisions are made in this regard.

49 As on 31st March 2025, the Company has acquired assets as a Resolution Applicant under Insolvency and Bankruptcy Code, 2016 (IBC). Consequently the disclosure as required in Point 13(vi) and 13(vii) of Reserve Bank of India notification DoR.SIG.FIN.REC.75/26.03.001/2022-23 dated 11 October 2022 is as below:-.

Name of the asset	Date of acquisition	Type o the Asset	Value of the Asset (Rs. In Millions)	Sectorwise Distribution	Resolution status
Unimark Remedies Ltd	25-05-2023	Pharmaceutical & Health Care	335.14	100%	Resolution plan submitted by Arcil alongwith Shamrock and Intas, was approved by NCLT in April 2023, post which required contribution was transferred to the Resolution Professional in May 2023. Arcil has executed the assignment agreement with all the lenders. Restructuring agreement, shareholder agreement and other related documents have agreed upon between Shamrock & Arcil and the same are expected to be executed shortly.

50 The Group has operation in single business segment and hence there are no separate reportable segments to be disclosed under Ind As 108 - "Operating Segments"

51 The Group has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provisions as required under any law/ accounting standards for material foreseeable losses on such long term contracts has been made in the books of account. The Group does not have any derivative contracts as at the Balance Sheet date.

52 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.
The Group will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

53 The Group holds assets in Security Receipts (SRs) which have been written off but are rigorously being pursued for recovery on an ongoing basis. The Management expects a good amount of realisation in future. This acts as a natural hedge and provides reasonable cover for subsequent deterioration in the value of assets.

54 Additional Regulatory Informations
i) Ratios

Ratios	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
a) Capital to risk-weighted assets ratio (CRAR)	Net Owned Funds	Risk Wighted Assets	90.59%	99.03%	95.82%
b) Tier I CRAR	Tier I Capital	Risk Wighted Assets	90.59%	As at March 31, 2024	As at March 31, 2023
c) Tier II CRAR	N.A.	N.A.	N.A.	N.A.	N.A.
d) Liquidity Coverage Ratio	N.A.	N.A.	N.A.	N.A.	N.A.

55 A statement of the migration of financial assets from standard to non-performaing- Not applicable

56 No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

57 The Group has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.

58 The Group has no transactions with the companies struck off under the Companies Act, 2013.

59 There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

60 The Group has complied with the number of layers prescribed under the Companies Act, 2013.

61 The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous period.

62 There was no Sale of assets catergorised under Amortized Cost.

63 Utilisation of Borrowed funds and share premium:

(A) During the period, the group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(B) During the period, 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 Company shall:

(i) 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
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

64 Undisclosed Income: 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).

65 The Group has not traded or invested in crypto currency or virtual currency during the current period or previous year.

66 The Group is not holding any immovable property whose title deed is not in the name of the Group.

67 The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current period or previous year.

68 The Financial Statement is prepared in accordance with Division III to Schedule III of the Companies Act, 2013. In preparing the financial statement, a balance has been maintained between providing excessive detail that may not assist users of financial statement. Accordingly, the line items as per prescribed format are not applicable to compnay and items which a are applicable to company but having nil balance in the current and previous reporting period are not disclosed in this financial statements.

69 Dividends declared by the Company are based on the profit available for distribution. On May 07, 2025, the Board of Directors of the Company have proposed a final dividend in respect of the year ended March 31, 2025 and has been approved by shareholders.

(Rs in Millions)

Proposed Dividends on Equity Shares not recognised:	**As at March 31, 2025**	**As at March 31, 2024**	**As at March 31, 2023**
Final Dividend for the year Rs. 3.00 per share (Previous year : Rs.1.50 per share)	974.69	487.35	324.90

70 **Investor Education and Protection Fund**
There is no amount required to be transferred to Investor Education and Protection Fund by the Company (previous year: Nil)

71 Reconciliation of audited financial statements and restated financial information

These Restated financial information has been compiled from historic audited financial statement and
(a) there were no change in accounting policies during the year of financial information;
(b) there were no material amounts which have been adjusted for arriving at the profit / loss of respective years and
(c) there were no material adjustments for re-classification of the income, expenses, assets and liabilities, in order to bring them in line with groupings as per the Audited financial statement of the Group and the requirements of the SEBI Regulations.

Material Regroupings

No material regroupings have been made in the Restated Consolidated Balance Sheet, Restated Consolidated Statement of Profit & Loss (including other comprehensive income), Restated Consolidated statement of Cashflows. Appropriate regrouping have been made wherever required by reclassification of income, expenses, assets, liabilities and cashflow to bring them in-order to bring them in line with corresponding policies classification as per the financial information of the Group for the period ended 31st March 2025 prepared in accordance with Schedule III of the Act, requirement of IndAS-1 "Presentation of Financial information and other applicable Ind AS principles and requirement of SEBI ICR regulations, as amended.

72 The Group has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except, that audit trail feature was not enabled at the database level to log any direct data changes. Further, to the extent enabled, audit trail feature has operated throughout the year for all relevant transactions recorded in the accounting software. Also, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year(s) has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

73 Subsequent to the reporting date of 31 March 2025, the Company has acquired the following subsidiaries wherein the Company's investment in security receipts is more than 25% in accordance with IND AS 110 and accounting policies of the Company :
Arcil-Trust-2026-001
Arcil-Trust-2026-003
Arcil-Trust-2026-004
Arcil-Trust-2026-006
Arcil-Trust-2026C-001
Arcil-Trust-2026C-002
Arcil-Trust-2026C-003
Arcil-Trust-2026C-004
These acquisitions were completed after the end of the financial year and, accordingly, have not been considered in the consolidated financial results for the year ended 31 March 2025. The financial impact of these acquired subsidiaries will be reflected in the financial statements for the period ended as may be applicable.
These events are classified as non-adjusting events under Ind AS 10 – Events after the Reporting Period, as they do not relate to conditions that existed as at the reporting date.

74 There are no subsequent events occuring post balance sheet date which could have a material impact on the financial statements as on March 31, 2025

75 The financial statements were approved for issue by the Board of Directors on July 31, 2025.

76. Interests in other entities

(a) Subsidiaries

The Group's subsidiaries are set out below. Share capital consisting solely of equity shares that are held directly by the group and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Date of acquiring subsidiary	Place of business / country of incorporation	Ownership interest held by the group			Ownership interest held by non-controlling interests		
			March 31, 2025	March 31, 2024	March 31, 2023	Mar 31, 2025	Mar 31, 2024	March 31, 2023
Arcil-Daewoo Motors India Ltd Trust	31-03-2005	India	48%	48%	48%	52%	52%	52%
Arcil-Precision Fastners Ltd-Trust	30-12-2003	India	56%	56%	56%	44%	44%	44%
Arcil-Parekh Platinum Ltd. Trust	29-12-2006	India	100%	100%	100%	0%	0%	0%
Arcil-Bellary Steels & Alloys Ltd.-II Trust	29-12-2006	India	100%	100%	100%	0%	0%	0%
Arcil-Indo Deutch Metallo Trust	29-12-2006	India	100%	100%	100%	0%	0%	0%
Arcil-Hanuman Miner Oil Ltd. Trust	29-12-2006	India	100%	100%	100%	0%	0%	0%
Arcil-Equipment Conductor & Cables Ltd. Trust	29-12-2006	India	100%	100%	100%	0%	0%	0%
Arcil-LSIL Trust	27-09-2007	India	100%	100%	100%	0%	0%	0%
Arcil-PSL II Trust	12-03-2008	India	100%	100%	100%	0%	0%	0%
Arcil-Polar Industries Limited Trust	13-03-2008	India	100%	100%	100%	0%	0%	0%
Arcil-MVR-I Trust	24-03-2008	India	100%	100%	100%	0%	0%	0%
Arcil-Ispat Profiles Trust	19-03-2008	India	100%	100%	100%	0%	0%	0%
Arcil-Nath Seeds Limited Trust	27-03-2008	India	100%	100%	100%	0%	0%	0%
Arcil-JCT II Trust	28-03-2008	India	100%	100%	100%	0%	0%	0%
Arcil-Maridia Steel Limited-I Trust	31-03-2008	India	100%	100%	100%	0%	0%	0%
Arcil-Maridia Steel Limited-II Trust	31-03-2008	India	100%	100%	100%	0%	0%	0%
Arcil-Maridia Steel Limited-III Trust	31-03-2008	India	100%	100%	100%	0%	0%	0%
Arcil-MVR-II Trust	31-03-2008	India	100%	100%	100%	0%	0%	0%
Arcil-NPPML Trust	11-03-2008	India	100%	100%	100%	0%	0%	0%
Arcil-PSL III Trust	12-03-2008	India	100%	100%	100%	0%	0%	0%
Arcil-PSL IV Trust	29-03-2008	India	100%	100%	100%	0%	0%	0%
Arcil-Kiran Overseas Exports Ltd. Trust	30-06-2008	India	100%	100%	100%	0%	0%	0%
Arcil-Shalimar Wires Industries Limited-II Trust	28-08-2008	India	100%	100%	100%	0%	0%	0%
Arcil-MVR-III Trust	01-09-2008	India	100%	100%	100%	0%	0%	0%
Arcil-Bentels Corporation Limited Trust	01-09-2008	India	100%	100%	100%	0%	0%	0%
Arcil-KOEL-I Trust	15-09-2008	India	100%	100%	100%	0%	0%	0%
Arcil-Mafatlal Engineering Industries Ltd Trust	18-09-2008	India	99%	99%	99%	1%	1%	1%
Arcil-Maridia Steel Limited-IV Trust	27-09-2008	India	100%	100%	100%	0%	0%	0%
Arcil-JCT III Trust	02-09-2008	India	100%	100%	100%	0%	0%	0%
Arcil-Shalimar Wires Industries Limited-III Trust	23-09-2008	India	100%	100%	100%	0%	0%	0%
Arcil Mukerian Paper Ltd Trust	12-09-2008	India	100%	100%	100%	0%	0%	0%
Arcil-Mukerian II Trust	29-09-2008	India	100%	100%	100%	0%	0%	0%
Arcil-KOEL-II Trust	22-12-2008	India	100%	100%	100%	0%	0%	0%
Arcil-Jhagadia Copper Limited Trust	05-01-2009	India	50%	50%	50%	50%	50%	50%
Arcil-Polar Industries Limited-II Trust	13-02-2009	India	100%	100%	100%	0%	0%	0%
Arcil-BPL Display Devices Limited-I Trust	04-03-2009	India	47%	47%	63%	53%	53%	38%
Arcil - Excel Oils and Chemicals Pvt. Ltd. Trust	03-02-2012	India	100%	100%	100%	0%	0%	0%
Arcil-International Sree Balaji Hotels Private Limited Trus	30-11-2012	India	100%	100%	100%	0%	0%	0%
Arcil-Uday Estates Pvt. Ltd. Trust	13-03-2013	India	100%	100%	100%	0%	0%	0%
Arcil-Rustagi Impex Private Limited Trust	21-03-2013	India	0%	100%	100%	100%	0%	0%
Arcil-L. S. P. Agro Limited Trust	21-03-2013	India	100%	100%	100%	0%	0%	0%
Arcil-The Dhar Textile Mills Ltd. Trust	22-03-2013	India	100%	100%	100%	0%	0%	0%
Arcil-Jagat Edible Oil India Pvt. Ltd. Trust	26-03-2013	India	100%	100%	100%	0%	0%	0%
Arcil-Vama Exports Ltd. Trust	30-03-2013	India	32%	32%	32%	68%	68%	68%
Arcil-Golden Fries Ltd. Trust	30-03-2013	India	68%	68%	68%	32%	32%	32%
Arcil-Esteem Estate Projects Pvt. Ltd. Trust	05-06-2013	India	100%	100%	100%	0%	0%	0%
Arcil-AST-IV-Trust	28-03-2014	India	100%	100%	100%	0%	0%	0%
Arcil-AST-VII-Trust	29-03-2014	India	100%	100%	100%	0%	0%	0%
Arcil-AST-039-I-Trust	21-11-2014	India	100%	100%	100%	0%	0%	0%
Arcil-AST-001-VI-Trust	30-03-2015	India	30%	30%	30%	70%	70%	70%
Arcil-AST-003-I-Trust	31-03-2015	India	0%	100%	100%	100%	0%	0%
Arcil-AST-027-I-Trust	29-06-2017	India	0%	51%	51%	100%	49%	49%
Arcil-AST-017-I-Trust	22-12-2017	India	51%	51%	51%	49%	49%	49%
Arcil-AST-017-IV-Trust	28-03-2018	India	0%	100%	100%	100%	0%	0%

Name of Entity	Date of acquiring subsidiary	Place of business / country of incorporation	Ownership interest held by the group			Ownership interest held by non-controlling interests		
			March 31, 2025	March 31, 2024	March 31, 2023	Mar 31, 2025	Mar 31, 2024	March 31, 2023
Arcil-AST-034-II-Trust	28-03-2018	India	0%	100%	100%	100%	0%	0%
Arcil-AST-001-VIII-Trust	28-03-2018	India	0%	100%	100%	100%	0%	0%
Arcil-AST-003-V-Trust	31-03-2018	India	0%	50%	50%	100%	50%	50%
Arcil-AST-018-I-Trust	31-03-2018	India	100%	100%	100%	0%	0%	0%
Arcil-AST-001-IX-Trust	31-03-2018	India	100%	100%	100%	0%	0%	0%
Arcil-AST-001-X-Trust	31-03-2018	India	50%	50%	50%	50%	50%	50%
Arcil-AST-034-III-Trust	29-06-2018	India	0%	100%	100%	100%	0%	0%
Arcil-AST-001-XI-Trust	10-07-2018	India	50%	50%	50%	50%	50%	50%
Arcil-AST-051-I-Trust	05-09-2018	India	0%	100%	100%	100%	0%	0%
Arcil-AST-017-V-Trust	19-12-2018	India	100%	100%	100%	0%	0%	0%
Arcil-AST-041-I-Trust	12-03-2019	India	0%	100%	100%	100%	0%	0%
Arcil-AST-001-XII-Trust	20-03-2019	India	0%	100%	100%	100%	0%	0%
Arcil-AST-024-I-Trust	29-03-2019	India	100%	100%	100%	0%	0%	0%
Arcil-AST-026-I-Trust	30-03-2019	India	100%	100%	100%	0%	0%	0%
Arcil-AST-056-I-Trust	30-03-2019	India	0%	100%	100%	100%	0%	0%
Arcil-CPS-002-IX Trust	31-03-2006	India	100%	100%	100%	0%	0%	0%
Arcil-CPS-012-II Trust	29-12-2006	India	100%	100%	100%	0%	0%	0%
Arcil-CPS-012-I Trust	29-12-2006	India	100%	100%	100%	0%	0%	0%
Arcil-CPS-032-I-Trust	18-03-2013	India	100%	100%	100%	0%	0%	0%
Arcil-CPS-006-III-Trust	21-03-2013	India	100%	100%	100%	0%	0%	0%
Arcil-CPS-003-IV Trust	30-03-2013	India	93%	93%	93%	8%	8%	8%
Arcil-CPS-003-V Trust	30-03-2013	India	100%	100%	100%	0%	0%	0%
Arcil-CPS-012-III-Trust	13-03-2014	India	85%	85%	85%	15%	15%	15%
Arcil-CPS-041-I-Trust	27-06-2016	India	100%	100%	100%	0%	0%	0%
Arcil-CPS-008-II-Trust	28-03-2018	India	50%	50%	50%	50%	50%	50%
Arcil-SBPS-001-I Trust	31-03-2004	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS-001-VI Trust	31-03-2005	India	94%	94%	94%	6%	6%	6%
Arcil-SBPS-001-VIII Trust	31-03-2006	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS-001-X Trust	31-03-2006	India	40%	40%	40%	60%	60%	60%
Arcil-SBPS 001-XII Trust	29-03-2007	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS 021-II Trust	24-03-2008	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS 016-I Trust	24-03-2008	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS-025-I Trust	12-09-2008	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS-028-I-Trust	26-03-2009	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS-027-I Trust	31-03-2009	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS-026-II-Trust	31-12-2012	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS-002-II-Trust	31-12-2012	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS-008-I Trust	22-03-2013	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS-042-I-Trust	30-11-2016	India	100%	100%	100%	0%	0%	0%
Arcil NHB Retail Loan Portfolio 001 Trust	08-02-2008	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Loan Portfolio-002-A Trust	31-03-2009	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Loan Portfolio-002-B Trust	28-04-2010	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Loan Portfolio-003-A Trust	05-05-2010	India	100%	100%	100%	0%	0%	0%

Name of Entity	Date of acquiring subsidiary	Place of business / country of incorporation	Ownership interest held by the group			Ownership interest held by non-controlling interests		
			March 31, 2025	March 31, 2024	March 31, 2023	Mar 31, 2025	Mar 31, 2024	March 31, 2023
Arcil-Retail Loan Portfolio-029-A-Trust	20-12-2013	India	90%	90%	90%	10%	10%	10%
Arcil-Retail Loan Portfolio -036-A-Trust	27-06-2014	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Port-044-A-T	29-03-2017	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Port-048-A-Trust	07-06-2017	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Port-042-A-Trust	01-02-2018	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Port-032-A-Trust	28-03-2018	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Port-049-A-Trust	31-03-2018	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Port-050-A-Trust	31-03-2018	India	100%	100%	100%	0%	0%	0%
Arcil Retail Loan Portfolio-045-B-Trust	28-12-2018	India	100%	100%	100%	0%	0%	0%
Arcil Retail Loan Portfolio-042-B-Trust	18-03-2019	India	100%	100%	100%	0%	0%	0%
Arcil Retail Loan Portfolio-053-A-Trust	27-03-2019	India	100%	100%	100%	0%	0%	0%
Arcil-Shalimar Wires Industries Limited-IV TrustSeries I	21-05-2009	India	100%	100%	100%	0%	0%	0%
Arcil-CPS 002-II TrustScheme B	23-10-2004	India	100%	100%	100%	0%	0%	0%
Arcil-CPS-002-VII TrustScheme B	31-03-2005	India	100%	100%	100%	0%	0%	0%
Arcil-CPS-002-VII TrustScheme D	31-03-2005	India	100%	100%	100%	0%	0%	0%
Arcil-CPS-002-I TrustScheme A4	31-03-2004	India	100%	100%	100%	0%	0%	0%
Arcil-CPS-002-I TrustScheme A5	31-03-2004	India	100%	100%	100%	0%	0%	0%
Arcil-CPS-002-I TrustScheme A6	31-03-2004	India	100%	100%	100%	0%	0%	0%
Arcil-CPS-002-I TrustScheme B1	31-03-2004	India	100%	100%	100%	0%	0%	0%
Arcil-CPS-002-I TrustScheme D	31-03-2004	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS 001-IV TrustScheme A	31-03-2005	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS 001-IV TrustScheme B	31-03-2005	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS 001-III TrustScheme A	31-03-2005	India	97%	97%	97%	3%	3%	3%
Arcil-SBPS 001-III TrustScheme B	31-03-2005	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS 001-V TrustScheme B	31-03-2005	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS 002-I TrustScheme A	30-06-2004	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS 002-I TrustScheme B2	30-06-2004	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS-007-II-TrustScheme C	07-11-2006	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS-007-II-TrustScheme A1	07-11-2006	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS-007-II-TrustScheme A2	07-11-2006	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS-014-I-TrustScheme A	28-03-2007	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS-014-I-TrustScheme B	28-03-2007	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS 014-II TrustScheme A	07-11-2006	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS 014-II TrustScheme C	07-11-2006	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS 013-I TrustScheme B	28-03-2007	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS 019-I TrustScheme B	23-06-2007	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS 022-I TrustScheme A1	31-03-2008	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS 021-I TrustScheme B	24-03-2008	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS 021-I TrustScheme C	24-03-2008	India	100%	100%	100%	0%	0%	0%
Arcil-AARF-II-Trust	31-08-2010	India	67%	56%	56%	33%	44%	44%
ARCIL-AST-024-II-TRUST	08-05-2019	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS-060-I-Trust	30-09-2019	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS-041-I-Trust	18-12-2019	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Loan Portfolio-058-B-Trust	30-09-2019	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Loan Portfolio-060-A-Trust	31-12-2019	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Loan Portfolio-061-A-Trust	31-12-2019	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Loan Portfolio-058-C-Trust	31-12-2019	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Loan Portfolio-42-D-Trust	24-06-2021	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Loan Portfolio-042-E-Trust	30-06-2021	India	100%	100%	100%	0%	0%	0%
Arcil- SBPS-006-VII Trust	26-11-2021	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Loan Portfolio-042-F-Trust	30-12-2021	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Loan Portfolio-042-I-Trust	30-12-2021	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Loan Portfolio-042-H-Trust	30-12-2021	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Loan Portfolio-042-G-Trust	30-12-2021	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Loan Portfolio-029-B-Trust	25-03-2022	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Loan Portfolio-074-A-Trust	30-03-2022	India	100%	100%	100%	0%	0%	0%
Arcil-AST-082-I-Trust	22-09-2022	India	0%	100%	100%	100%	0%	0%
Arcil-AST-082-II-Trust	22-09-2022	India	0%	100%	100%	100%	0%	0%
Arcil-AST-001-XVIII-Trust	27-03-2023	India	33%	64%	64%	67%	36%	36%
Arcil-CPS-II-Trust	01-12-2022	India	32%	47%	47%	68%	53%	53%
Arcil-SBPS-I-Trust	29-09-2022	India	100%	100%	100%	0%	0%	0%
Arcil-SBPS 073-I Trust	01-11-2022	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Loan Portfolio-074-B-Trust	28-07-2022	India	100%	100%	100%	0%	0%	0%
Arcil-Retail Loan Portfolio-045-C-Trust	29-12-2022	India	100%	100%	100%	0%	0%	0%
Arcil-CPS-031-I-Trust	22-03-2013	India			50%			50%

Name of Entity	Date of acquiring subsidiary	Place of business / country of incorporation	Ownership interest held by the group			Ownership interest held by non-controlling interests		
			March 31, 2025	March 31, 2024	March 31, 2023	Mar 31, 2025	Mar 31, 2024	March 31, 2023
Arcil-CPS-032-II-Trust	28-06-2018	India			100%			0%
Arcil-Parasrampuria Synthetics ltd Trust	30-06-2005	India	98%	98%		2%	2%	
Arcil-Kishore Dalal & Company Trust	30-06-2008	India	58%	58%		42%	42%	
Arcil-CPS-002-VII Trust	31-03-2005	India	100%	100%		0%	0%	
Arcil-AST-003-VIII-Trust	04-05-2023	India	31%	64%		69%	36%	
Arcil-AST-RA-001 Trust	26-05-2023	India	100%	100%		0%	0%	
Arcil-AST-030-II-Trust	01-09-2023	India	35%	64%		65%	36%	
Arcil-AST-090-I-Trust	26-09-2023	India	0%	100%		100%	0%	
Arcil-CPS-IV-Trust	25-08-2023	India	32%	32%		68%	68%	
Arcil-Retail Loan Portfolio-092-A-Trust	29-09-2023	India	26%	28%		74%	72%	
Arcil-2024C-001 -Trust	27-12-2023	India	100%	100%		0%	0%	
Arcil-2024C-003 -Trust	29-12-2023	India	100%	100%		0%	0%	
Arcil-2024C-004 -Trust	29-12-2023	India	100%	100%		0%	0%	
Arcil-2024C-005 -Trust	30-12-2023	India	100%	100%		0%	0%	
Arcil-2024C-007-Trust	20-03-2024	India	100%	100%		0%	0%	
Arcil-2024C-006 -Trust	28-02-2024	India	100%	100%		0%	0%	
Arcil-Trust-2025C-001	12-04-2024	India	100%			0%	0%	
Arcil-Trust-2025C-005	08-05-2024	India	100%			0%	0%	
Arcil-Trust-2025C-007	13-09-2024	India	100%			0%	0%	
Arcil-Trust-2025C-015	30-11-2024	India	100%			0%	0%	
Arcil-Trust-2025C-019	28-03-2025	India	100%			0%	0%	
Arcil-Trust-2025C-013	28-10-2024	India	100%			0%	0%	
Arcil-Trust-2025C-018	28-03-2025	India	100%			0%	0%	
Arcil-Trust-2025C-003	28-05-2024	India	100%			0%	0%	
Arcil-Trust-2025C-004	14-06-2024	India	100%			0%	0%	
Arcil-Trust-2025C-006	25-06-2024	India	100%			0%	0%	
Arcil-Trust-2025C-008	19-09-2024	India	100%			0%	0%	
Arcil-Trust-2025-005	27-09-2024	India	36%			64%	0%	
Arcil-Trust-2025C-010	30-09-2024	India	100%			0%	0%	
Arcil-Trust-2025C-009	30-09-2024	India	100%			0%	0%	
Arcil-Trust-2025-008	30-09-2024	India	44%			56%	0%	
Arcil-Trust-2025C-012	30-09-2024	India	100%			0%	0%	
Arcil-Trust-2025C-011	01-10-2024	India	100%			0%	0%	
Arcil-Trust-2025C-014	30-10-2024	India	100%			0%	0%	
Arcil-Trust-2025-015	30-12-2024	India	58%			42%	0%	
Arcil-Trust-2025-016	31-12-2024	India	37%			63%	0%	
Arcil-Trust-2025C-016	31-12-2024	India	100%			0%	0%	
Arcil-Trust-2025-010	28-02-2025	India	49%			51%	0%	
Arcil-Trust-2025C-017	21-03-2025	India	100%			0%	0%	

Asset Reconstruction Company (India) Limited

Explanatory information to Restated Consolidated Financial Statements as at Mar 31, 2025

(b) Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group.The amounts disclosed for each subsidiary are before inter-group eliminations.

Summarised balance sheet as on Mar 31, 2025

Rs. In Millions

Name of Subsidiary	Financial Asset	Financial Liability	Net Financial Assets / (Liability)	Non-Financial Asset	Non-Financial Liability	Net Non-Financial Asset / (Liability)	Net assets / Liability	Ownership interest held by non-controlling interests
Arcil-Daewoo Motors India Ltd Trust	4,123.80	4,132.02	(8.22)	6.23	12.04	(5.80)	(14.02)	52.38%
Arcil-Precision Fastners Ltd-Trust	27.14	51.21	(24.07)	0.00	-	0.00	(24.07)	43.90%
Arcil-Mafatlal Engineering Industries Ltd Trust	1.26	15.67	(14.42)	0.00	0.03	(0.03)	(14.44)	1.00%
Arcil-Jhagadia Copper Limited Trust	7.59	7.93	(0.34)	0.03	-	0.03	(0.31)	50.36%
Arcil-BPL Display Devices Limited-I Trust	0.02	1.19	(1.17)	-	-	-	(1.17)	53.26%
Arcil-Vama Exports Ltd. Trust	4.93	0.16	4.77	-	2.17	(2.17)	2.60	67.65%
Arcil-Golden Fries Ltd. Trust	34.50	35.89	(1.39)	0.02	-	0.02	(1.37)	31.71%
Arcil-AST-001-VI-Trust	0.12	0.54	(0.42)	0.01	0.26	(0.25)	(0.68)	70.00%
Arcil-AST-017-I-Trust	0.20	0.42	(0.22)	-	-	-	(0.22)	49.00%
Arcil-AST-001-X-Trust	0.04	40.26	(40.21)	-	0.00	(0.00)	(40.21)	50.00%
Arcil-AST-001-XI-Trust	79.31	90.86	(11.55)	-	0.02	(0.02)	(11.56)	50.00%
Arcil-CPS-003-IV Trust	0.12	1.29	(1.18)	0.01	0.00	0.01	(1.16)	7.50%
Arcil-CPS-012-III-Trust	0.12	0.04	0.08	-	-	-	0.08	15.00%
Arcil-CPS-008-II-Trust	141.50	141.80	(0.29)	-	0.01	(0.01)	(0.31)	50.00%
Arcil-SBPS-001-I Trust	8.92	10.36	(1.44)	3.63	-	3.63	2.19	0.03%
Arcil-SBPS-001-VI Trust	0.02	38.45	(38.42)	20.76	-	20.76	(17.66)	6.04%
Arcil-SBPS-001-X Trust	0.05	8.77	(8.72)	-	-	-	(8.72)	60.00%
Arcil-Retail Loan Portfolio-029-A-Trust	0.96	1.05	(0.09)	0.01	0.00	0.00	(0.09)	10.01%
Arcil-SBPS 001-III TrustScheme A	0.81	2.92	(2.11)	21.08	-	21.08	18.96	2.98%
Arcil-AARF-II-Trust	306.96	210.58	96.38	29.64	43.51	(13.87)	82.51	33.26%
Arcil-AST-001-XVIII-Trust	182.68	206.15	(23.48)	-	0.20	(0.20)	(23.68)	67.14%
Arcil-CPS-II-Trust	618.84	783.33	(164.49)	0.06	0.12	(0.06)	(164.55)	68.08%
Arcil-Parasrampuria Synthetics ltd Trust	0.09	8.25	(8.16)	2.47	-	2.47	(5.69)	2.18%
Arcil-Kishore Dalal & Company Trust	0.01	38.41	(38.40)	-	0.01	(0.01)	(38.41)	41.67%
Arcil-CPS-002-VII Trust	0.16	2.20	(2.04)	3.28	-	3.28	1.24	0.03%
Arcil-AST-003-VIII-Trust	128.35	147.15	(18.80)	-	0.15	(0.15)	(18.95)	69.22%
Arcil-AST-030-II-Trust	8.30	10.35	(2.05)	-	0.01	(0.01)	(2.06)	64.62%
Arcil-CPS-IV-Trust	2,482.68	2,847.73	(365.05)	-	2.76	(2.76)	(367.81)	67.85%
Arcil-Retail Loan Portfolio-092-A-Trust	773.67	924.35	(150.68)	-	0.89	(0.89)	(151.57)	73.65%
Arcil-Trust-2025-005	374.78	408.71	(33.94)	-	1.29	(1.29)	(35.23)	63.83%
Arcil-Trust-2025-008	1,884.87	1,962.78	(77.90)	-	3.27	(3.27)	(81.17)	56.46%
Arcil-Trust-2025-015	1,292.64	1,313.09	(20.45)	-	1.80	(1.80)	(22.25)	42.00%
Arcil-Trust-2025-016	959.15	984.52	(25.37)	-	2.31	(2.31)	(27.68)	62.89%
Arcil-Trust-2025-010	342.67	347.20	(4.53)	-	0.41	(0.41)	(4.94)	51.00%
Total	**13,787.27**	**14,775.63**	**(988.36)**	**87.22**	**71.26**	**15.96**	**(972.40)**	

Summarised balance sheet as on March 31, 2024

Rs. In Millions

Name of Subsidiary	Financial Asset	Financial Liability	Net Financial Assets / (Liability)	Non-Financial Asset	Non-Financial Liability	Net Non-Financial Asset / (Liability)	Net assets	Ownership interest held by non-controlling interests
Arcil-Daewoo Motors India Ltd Trust	3,874.00	3,892.09	(18.09)	6.23	10.99	(4.75)	(22.84)	52.38%
Arcil-Parasrampuria Synthetics ltd Trust	1.60	8.74	(7.13)	1.41	0.00	1.41	(5.72)	2.18%
Arcil-Precision Fastners Ltd-Trust	25.31	51.08	(25.78)	-	0.00	(0.00)	(25.78)	43.90%
Arcil-Kishore Dalal & Company Trust	0.01	39.05	(39.03)	-	0.01	(0.01)	(39.04)	41.67%
Arcil-Mafatlal Engineering Industries Ltd Trust	1.20	15.58	(14.38)	0.00	0.03	(0.03)	(14.40)	1.00%
Arcil-Jhagadia Copper Limited Trust	7.12	7.41	(0.29)	0.03	0.00	0.03	(0.26)	50.36%
Arcil-BPL Display Devices Limited-I Trust	0.13	1.17	(1.04)	-	0.01	(0.01)	(1.06)	53.26%
Arcil-Vama Exports Ltd. Trust	32.37	59.27	(26.90)	-	0.00	(0.00)	(26.91)	67.65%
Arcil-Golden Fries Ltd. Trust	32.22	33.54	(1.33)	0.00	0.00	(0.00)	(1.33)	31.71%
Arcil-AST-001-VI-Trust	0.12	0.50	(0.38)	0.01	0.26	(0.25)	(0.64)	70.00%
Arcil-AST-027-I-Trust	0.18	0.43	(0.25)	-	0.00	(0.00)	(0.25)	49.00%
Arcil-AST-017-I-Trust	0.20	0.38	(0.18)	-	0.00	(0.00)	(0.18)	49.00%
Arcil-AST-003-V-Trust	0.00	-	0.00	-	-	-	0.00	50.00%
Arcil-AST-001-X-Trust	0.11	84.06	(83.95)	-	0.12	(0.12)	(84.06)	50.00%
Arcil-AST-001-XI-Trust	103.06	113.39	(10.33)	-	0.01	(0.01)	(10.34)	50.00%
Arcil-AST-001-XVIII-Trust	311.85	317.31	(5.46)	-	0.03	(0.03)	(5.49)	36.00%
Arcil-AST-003-VIII-Trust	262.51	266.35	(3.83)	-	0.07	(0.07)	(3.90)	36.00%
Arcil-AST-030-II-Trust	18.70	19.49	(0.78)	-	0.01	(0.01)	(0.79)	36.00%
Arcil-CPS-003-IV Trust	0.12	1.23	(1.12)	0.01	0.00	0.01	(1.10)	7.50%

Arcil-CPS-012-III-Trust	0.11	2.21	(2.09)	-	0.00	(0.00)	(2.09)	15.00%
Arcil-CPS-008-II-Trust	208.29	207.94	0.35	-	0.41	(0.41)	(0.06)	50.00%
Arcil-CPS-II-Trust	922.34	1,014.07	(91.73)	-	2.67	(2.67)	(94.40)	52.73%
Arcil-CPS-IV-Trust	2,598.66	2,788.30	(189.64)	-	11.10	(11.10)	(200.75)	67.85%
Arcil-CPS-002-VII Trust	15.17	15.13	0.04	1.74	0.00	1.74	1.78	0.03%
Arcil-SBPS-001-I Trust	0.02	0.37	(0.34)	3.63	0.00	3.63	3.29	0.03%
Arcil-SBPS-001-VI Trust	0.02	0.57	(0.55)	1.76	0.00	1.76	1.21	6.04%
Arcil-SBPS-001-X Trust	0.05	7.73	(7.68)	-	0.00	(0.00)	(7.68)	60.00%
Arcil-SBPS 001-III TrustScheme A	14.75	15.74	(0.99)	10.00	0.00	10.00	9.01	2.98%
Arcil-AARF-II-Trust	266.85	267.74	(0.89)	29.59	45.31	(15.73)	(16.62)	44.17%
Arcil-Retail Loan Portfolio-029-A-Trust	1.42	1.91	(0.48)	0.01	0.00	0.00	(0.48)	10.01%
Arcil-Retail Loan Portfolio-092-A-Trust	912.28	981.59	(69.31)	-	2.59	(2.59)	(71.90)	71.59%
Total	**9,610.77**	**10,214.35**	**(603.58)**	**54.41**	**73.61**	**(19.20)**	**(622.78)**	

Summarised balance sheet as on March 31, 2023 *Rs. In Millions*

Name of Subsidiary	Financial Asset	Financial Liability	Net Financial Assets	Non-Financial Asset	Non-Financial Liability	Net Non - Financial Assets	Net assets	Ownership interest held by non-controlling interests
Arcil-Daewoo Motors India Ltd Trust	129.57	132.45	-2.88	6.23	10.96	-4.73	-7.61	52.38%
Arcil-Precision Fastners Ltd-Trust	23.72	21.67	2.05	-	0.03	-0.03	2.02	43.90%
Arcil-Mafatlal Engineering Industries Ltd Trust	1.12	15.46	-14.34	0.00	0.03	-0.03	-14.37	1.00%
Arcil-Jhagadia Copper Limited Trust	6.69	6.93	-0.24	0.03	0.00	0.03	-0.21	50.36%
Arcil-BPL Display Devices Limited-I Trust	4.01	38.93	-34.92	-	3.99	-3.99	-38.92	37.50%
Arcil-Vama Exports Ltd. Trust	0.12	26.27	-26.16	-	0.00	-0.00	-26.16	67.65%
Arcil-Golden Fries Ltd. Trust	12.84	13.99	-1.15	0.00	0.00	-0.00	-1.15	31.71%
Arcil-AST-001-VI-Trust	0.12	0.45	-0.33	0.01	0.26	-0.25	-0.59	70.00%
Arcil-AST-027-I-Trust	0.17	0.31	-0.14	-	0.01	-0.01	-0.14	49.00%
Arcil-AST-017-I-Trust	0.20	0.34	-0.14	-	0.00	-0.00	-0.14	49.00%
Arcil-AST-003-V-Trust	0.22	0.49	-0.27	-	0.01	-0.01	-0.27	50.00%
Arcil-AST-001-X-Trust	539.50	621.87	-82.37	-	0.14	-0.14	-82.50	50.00%
Date: May 29, 2024	73.84	82.85	-9.01	-	0.01	-0.01	-9.02	50.00%
Arcil-CPS-031-I-Trust	179.41	184.33	-4.91	0.06	1.47	-1.41	-6.33	50.12%
Arcil-CPS-003-IV Trust	0.12	1.15	-1.03	0.01	0.06	-0.04	-1.07	7.50%
Arcil-CPS-012-III-Trust	0.11	1.94	-1.82	-	0.00	-0.00	-1.82	15.00%
Arcil-CPS-008-II-Trust	8.99	3.83	5.16	-	6.17	-6.17	-1.02	50.00%
Arcil-SBPS-001-VI Trust	0.01	0.32	-0.31	3.49	0.00	3.49	3.18	6.04%
Arcil-SBPS-001-X Trust	0.05	5.78	-5.73	-	0.00	-0.00	-5.73	60.00%
Arcil-Retail Loan Portfolio-029-A-Trust	2.45	2.64	-0.19	0.01	0.00	0.00	-0.18	10.01%
Arcil-SBPS 001-III TrustScheme A	0.70	1.25	-0.55	11.72	0.00	11.72	11.17	2.98%
Arcil-AST-001-XVIII-Trust	253.20	253.35	-0.15	-	-	-	-0.15	36.00%
Arcil-CPS-II-Trust	1,100.03	1,120.36	-20.32	-	1.82	-1.82	-22.15	52.72%
Arcil-AARF-II-Trust	403.38	382.70	20.68	0.65	58.28	-57.63	-36.96	44.17%
Total	**2,740.58**	**2,919.66**	**-179.08**	**22.20**	**83.24**	**-61.03**	**-240.11**	

Rs. In Millions

Summarised statement of profit and loss for the year ended Mar 31, 2025	Revenue	Profit & Loss	Other comprehensive income	Total comprehensive income	Ownership interest held by non-controlling interests	Profit allocated to NCI
Arcil-Daewoo Motors India Ltd Trust	30.00	8.82	-	8.82	52.38%	4.62
Arcil-Precision Fastners Ltd-Trust	1.75	1.71	-	1.71	43.90%	0.75
Arcil-Mafatlal Engineering Industries Ltd Trust	-	(0.04)	-	(0.04)	1.00%	(0.00)
Arcil-Jhagadia Copper Limited Trust	-	(0.05)	-	(0.05)	50.36%	(0.02)
Arcil-BPL Display Devices Limited-I Trust	-	(0.11)	-	(0.11)	53.26%	(0.06)
Arcil-Vama Exports Ltd. Trust	34.12	29.51	-	29.51	67.65%	19.96
Arcil-Golden Fries Ltd. Trust	-	(0.04)	-	(0.04)	31.71%	(0.01)
Arcil-AST-001-VI-Trust	-	(0.04)	-	(0.04)	70.00%	(0.03)
Arcil-AST-017-I-Trust	-	(0.04)	-	(0.04)	49.00%	(0.02)
Arcil-AST-001-X-Trust	44.08	43.85	-	43.85	50.00%	21.92
Arcil-AST-001-XI-Trust	-	(1.23)	-	(1.23)	50.00%	(0.61)
Arcil-CPS-003-IV Trust	-	(0.06)	-	(0.06)	7.50%	(0.00)
Arcil-CPS-012-III-Trust	2.74	2.17	-	2.17	15.00%	0.33
Arcil-CPS-008-II-Trust	61.25	56.98	-	56.98	50.00%	28.49
Arcil-SBPS-001-I Trust	-	(1.10)	-	(1.10)	0.03%	(0.00)
Arcil-SBPS-001-VI Trust	0.44	(0.60)	-	(0.60)	6.04%	(0.04)
Arcil-SBPS-001-X Trust	(0.00)	(1.04)	-	(1.04)	60.00%	(0.62)
Arcil-Retail Loan Portfolio-029-A-Trust	1.66	1.45	-	1.45	10.01%	0.14
Arcil-SBPS 001-III TrustScheme A	14.40	13.38	-	13.38	2.98%	0.40
Arcil-AARF-II-Trust	221.34	215.23	-	215.23	33.26%	71.59
Arcil-AST-001-XVIII-Trust	0.65	(18.19)	-	(18.19)	67.14%	(12.21)
Arcil-CPS-II-Trust	0.17	(70.15)	-	(70.15)	68.08%	(47.76)
Arcil-Parasrampuria Synthetics ltd Trust	1.06	0.03	-	0.03	2.18%	0.00
Arcil-Kishore Dalal & Company Trust	-	0.63	-	0.63	41.67%	0.26
Arcil-CPS-002-VII Trust	0.55	(0.54)	-	(0.54)	0.03%	(0.00)
Arcil-AST-003-VIII-Trust	0.56	(15.05)	-	(15.05)	69.22%	(10.42)
Arcil-AST-030-II-Trust	0.04	(1.27)	-	(1.27)	64.62%	(0.82)
Arcil-CPS-IV-Trust	0.93	(167.06)	-	(167.06)	67.85%	(113.35)
Arcil-Retail Loan Portfolio-092-A-Trust	0.05	(79.67)	-	(79.67)	73.65%	(58.67)
Arcil-Trust-2025-005	0.55	(35.23)	-	(35.23)	63.83%	(22.49)
Arcil-Trust-2025-008	0.99	(81.17)	-	(81.17)	56.46%	(45.83)
Arcil-Trust-2025-015	0.09	(22.25)	-	(22.25)	42.00%	(9.34)
Arcil-Trust-2025-016	-	(27.68)	-	(27.68)	62.89%	(17.41)
Arcil-Trust-2025-010	0.03	(4.94)	-	(4.94)	51.00%	(2.52)

Total	417.45	(153.77)	-	(153.77)		(193.78)

Rs. In Millions

Summarised statement of profit and loss for the year ended March 31, 2024	Revenue	Profit for the year	Other comprehensive income	Total comprehensive income	Ownership interest held by non-controlling interests	Profit allocated to NCI
Arcil-Daewoo Motors India Ltd Trust	-	(15.23)	-	(15.23)	52.38%	(7.98)
Arcil-Parasrampuria Synthetics ltd Trust	51.25	49.31	-	49.31	2.18%	1.07
Arcil-Precision Fastners Ltd-Trust	1.54	(27.80)	-	(27.80)	43.90%	(12.21)
Arcil-Kishore Dalal & Company Trust	(5.02)	(41.08)	-	(41.08)	41.67%	(17.12)
Arcil-Mafatlal Engineering Industries Ltd Trust	-	(0.04)	-	(0.04)	1.00%	(0.00)
Arcil-Jhagadia Copper Limited Trust	-	(0.05)	-	(0.05)	50.36%	(0.02)
Arcil-BPL Display Devices Limited-I Trust	41.89	37.86	-	37.86	53.26%	20.16
Arcil-Vama Exports Ltd. Trust	-	(0.75)	-	(0.75)	67.65%	(0.51)
Arcil-Golden Fries Ltd. Trust	-	(0.17)	-	(0.17)	31.71%	(0.06)
Arcil-AST-001-VI-Trust	-	(0.05)	-	(0.05)	70.00%	(0.03)
Arcil-AST-027-I-Trust	-	(0.11)	-	(0.11)	49.00%	(0.05)
Arcil-AST-017-I-Trust	-	(0.04)	-	(0.04)	49.00%	(0.02)
Arcil-AST-003-V-Trust	(46.51)	0.19	-	0.19	50.00%	0.10
Arcil-AST-001-X-Trust	11.16	(1.56)	-	(1.56)	50.00%	(0.78)
Arcil-AST-001-XI-Trust	-	(1.32)	-	(1.32)	50.00%	(0.66)
Arcil-AST-001-XVIII-Trust	-	(5.34)	-	(5.34)	36.00%	(1.92)
Arcil-AST-003-VIII-Trust	-	(3.90)	-	(3.90)	36.00%	(1.40)
Arcil-AST-030-II-Trust	-	(0.79)	-	(0.79)	36.00%	(0.28)
Arcil-CPS-003-IV Trust	-	(0.03)	-	(0.03)	7.50%	(0.00)
Arcil-CPS-012-III-Trust	-	(0.27)	-	(0.27)	15.00%	(0.04)
Arcil-CPS-008-II-Trust	1.31	2.27	-	2.27	50.00%	1.13
Arcil-CPS-II-Trust	0.04	(72.25)	-	(72.25)	52.73%	(38.10)
Arcil-CPS-IV-Trust	0.44	(200.75)	-	(200.75)	67.85%	(136.21)
Arcil-CPS-002-VII Trust	111.09	109.27	-	109.27	0.03%	0.03
Arcil-SBPS-001-I Trust	-	(2.03)	-	(2.03)	0.03%	(0.00)
Arcil-SBPS-001-VI Trust	-	(1.97)	-	(1.97)	6.04%	(0.12)
Arcil-SBPS-001-X Trust	0.00	(1.95)	-	(1.95)	60.00%	(1.17)
Arcil-SBPS 001-III TrustScheme A	-	(2.16)	-	(2.16)	2.98%	(0.06)
Arcil-AARF-II-Trust	203.00	189.46	-	189.46	44.17%	83.68
Arcil-Retail Loan Portfolio-029-A-Trust	-	(0.29)	-	(0.29)	10.01%	(0.03)
Arcil-Retail Loan Portfolio-092-A-Trust	0.25	(71.90)	-	(71.90)	71.59%	(51.48)
Total	**370.45**	**(63.47)**	**-**	**(63.47)**		**(164.06)**

Rs. In Millions

Summarised statement of profit and loss for the year ended March 31, 2023	Revenue	Profit for the year	Other comprehensive income	Total comprehensive income	Ownership interest held by non-controlling interests	Profit allocated to NCI
Arcil-Daewoo Motors India Ltd Trust	34.88	39.71	-	39.71	52.38%	20.80
Arcil-Precision Fastners Ltd-Trust	1.14	1.03	-	1.03	43.90%	0.45
Arcil-Mafatlal Engineering Industries Ltd Trust	0.05	0.02	-	0.02	1.00%	0.00
Arcil-Jhagadia Copper Limited Trust	-	(0.07)	-	(0.07)	50.36%	(0.04)
Arcil-BPL Display Devices Limited-I Trust	-	(0.50)	-	(0.50)	37.50%	(0.19)
Arcil-Vama Exports Ltd. Trust	-	(1.10)	-	(1.10)	67.65%	(0.74)
Arcil-Golden Fries Ltd. Trust	0.00	(0.17)	-	(0.17)	31.71%	(0.05)
Arcil-AST-001-VI-Trust	-	(0.05)	-	(0.05)	70.00%	(0.03)
Arcil-AST-027-I-Trust	96.08	94.99	-	94.99	49.00%	46.55
Arcil-AST-017-I-Trust	-	(0.10)	-	(0.10)	49.00%	(0.05)
Arcil-AST-003-V-Trust	33.45	31.97	-	31.97	50.00%	15.99
Arcil-AST-001-X-Trust	-	(19.62)	-	(19.62)	50.00%	(9.81)
Date: May 29, 2024	-	(1.45)	-	(1.45)	50.00%	(0.72)
Arcil-CPS-031-I-Trust	0.27	(1.51)	-	(1.51)	50.12%	(0.76)
Arcil-CPS-003-IV Trust	-	(0.10)	-	(0.10)	7.50%	(0.01)
Arcil-CPS-012-III-Trust	-	(0.30)	-	(0.30)	15.00%	(0.04)
Arcil-CPS-008-II-Trust	165.57	128.40	-	128.40	50.00%	64.20
Arcil-SBPS-001-VI Trust	-	(0.07)	-	(0.07)	6.04%	(0.00)
Arcil-SBPS-001-X Trust	0.00	(0.02)	-	(0.02)	60.00%	(0.01)
Arcil-Retail Loan Portfolio-029-A-Trust	3.90	3.64	-	3.64	10.01%	0.36
Arcil-SBPS 001-III TrustScheme A	0.03	(0.03)	-	(0.03)	2.98%	(0.00)
Arcil-AST-001-XVIII-Trust	-	(0.15)	-	(0.15)	36.00%	(0.05)
Arcil-CPS-II-Trust	-	(22.15)	-	(22.15)	52.72%	(11.68)
Arcil-AARF-II-Trust	124.35	155.91	-	155.91	44.17%	68.87
Total	**459.72**	**408.29**	**-**	**408.29**		**193.02**

No Dividends were paid to NCI during the year 23-24 and 22-23

(c) Interests in associates

Set out below are the associates and joint ventures of the Group. The entities listed below have share capital consisting solely of equity shares, which are held directly or indirectly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of Entity	Place of business/ country of incorporation	Relationship	Proportion of Interest (%)			Accounting method
			March 31, 2025	March 31, 2024	March 31, 2023	
Arcil-AST-001-VII-Trust	India	Associate	0%	25%	25%	Equity Method
Arcil-AST-003-IV-Trust	India	Associate	25%	25%	25%	Equity Method
Arcil-SBPS-022-II Trust	India	Associate	20%	20%	20%	Equity Method
Arcil-SBPS-022-III-Trust	India	Associate	20%	20%	20%	Equity Method
Arcil-SBPS-022-IV Trust	India	Associate	20%	20%	20%	Equity Method
Arcil-Retail Port-046-A-T	India	Associate	20%	20%	20%	Equity Method
Arcil-CPS-002-V TrustScheme A	India	Associate	20%	20%	20%	Equity Method
Arcil-Retail Loan Portfolio-022-A-Trust	India	Associate	20%	20%	20%	Equity Method
Arcil-CPS-081-I-Trust	India	Associate	20%	20%	20%	Equity Method
ARCIL-TRUST-2024-001	India	Associate	20%	20%	0%	Equity Method
Arcil-Trust-2025-013	India	Associate	20%	0%	0%	Equity Method
Arcil-Trust-2025-012	India	Associate	25%	0%	0%	Equity Method
Arcil-Trust-2025-018	India	Associate	20%	0%	0%	Equity Method
Arcil-CPS-047-I-Trust	India	Associate	0%	0%	20%	Equity Method

Summarised balance sheet as on Mar 31, 2025 1000000 *Rs. In Millions*

Name of Associate	Financial Asset	Financial Liability	Net Financial Assets / (Liability)	Non-Financial Asset	Non-Financial Liability	Net Non-Financial Asset / (Liability)	Net assets / Liability	Ownership interest held by non-controlling interests
Arcil-AST-003-IV-Trust	5.14	5.38	(0.24)	-	0.12	(0.12)	(0.36)	(0.09)
Arcil-SBPS-022-II Trust	1.00	0.86	0.13	0.02	0.00	0.02	0.15	0.03
Arcil-SBPS-022-III-Trust	16.93	17.39	(0.46)	0.04	0.00	0.04	(0.43)	(0.09)
Arcil-SBPS-022-IV Trust	84.38	77.06	7.32	0.42	0.06	0.36	7.68	1.54
Arcil-Retail Port-046-A-T	5.57	0.34	5.22	0.00	4.96	(4.96)	0.26	0.05
Arcil-CPS-002-V TrustScheme A	0.04	0.85	(0.81)	-	-	-	(0.81)	(0.16)
Arcil-Retail Loan Portfolio-022-A-Trust	1.79	21.51	(19.71)	0.00	0.00	(0.00)	(19.72)	(3.94)
Arcil-CPS-081-I-Trust	661.18	674.30	(13.11)	-	0.02	(0.02)	(13.13)	(2.63)
ARCIL-TRUST-2024-001	1,001.41	1,041.53	(40.12)	-	0.60	(0.60)	(40.73)	(8.15)
Arcil-Trust-2025-013	363.11	363.35	(0.24)	-	0.02	(0.02)	(0.26)	(0.05)
Arcil-Trust-2025-012	985.11	985.58	(0.46)	-	0.04	(0.04)	(0.50)	(0.13)
Arcil-Trust-2025-018	418.50	418.70	(0.20)	-	0.02	(0.02)	(0.22)	(0.04)
Grand Total	**3,544.15**	**3,606.85**	**(62.70)**	**0.48**	**5.84**	**(5.36)**	**(68.06)**	**(13.66)**

Summarised balance sheet as on March 31, 2024 1000000 *Rs. In Millions*

Name of Associate	Financial Asset	Financial Liability	Net Financial Assets / (Liability)	Non-Financial Asset	Non-Financial Liability	Net Non-Financial Asset / (Liability)	Net assets / Liability	Ownership interest held by non-controlling interests
Arcil-AST-001-VII-Trust	30.01	43.44	(13.43)	0.02	0.01	0.01	(13.42)	(3.35)
Arcil-AST-003-IV-Trust	152.90	182.91	(30.02)	0.03	0.01	0.02	(30.00)	(7.50)
Arcil-SBPS-022-II Trust	10.98	11.36	(0.37)	0.02	0.00	0.01	(0.36)	(0.07)
Arcil-SBPS-022-III-Trust	19.68	10.67	9.01	0.04	9.15	(9.11)	(0.10)	(0.02)
Arcil-SBPS-022-IV Trust	141.08	140.40	0.68	0.42	0.80	(0.38)	0.30	0.06
Arcil-Retail Port-046-A-T	108.32	106.77	1.54	0.00	0.43	(0.43)	1.12	0.22
Arcil-CPS-002-V TrustScheme A	0.03	0.90	(0.87)	-	0.00	(0.00)	(0.87)	(0.18)
Arcil-Retail Loan Portfolio-022-A-Trust	8.68	49.93	(41.25)	0.00	0.23	(0.23)	(41.48)	(8.30)
Arcil-CPS-081-I-Trust	690.75	701.96	(11.21)	-	0.12	(0.12)	(11.33)	(2.27)
ARCIL-TRUST-2024-001	1,400.00	1,402.12	(2.12)	-	0.19	(0.19)	(2.31)	(0.46)
Grand Total	**2,562.43**	**2,650.47**	**(88.04)**	**0.52**	**10.93**	**(10.41)**	**(98.45)**	**(21.86)**

Summarised balance sheet as on March 31, 2023 *Rs. In Millions*

Name of Associate	Financial Asset	Financial Liability	Net Financial Assets / (Liability)	Non-Financial Asset	Non-Financial Liability	Net Non-Financial Asset / (Liability)	Net assets / Liability	Ownership interest held by non-controlling interests
Arcil-AST-001-VII-Trust	38.26	50.18	(11.92)	0.00	0.03	(0.03)	(11.94)	(2.99)
Arcil-AST-003-IV-Trust	163.62	189.36	(25.74)	-	0.05	(0.05)	(25.79)	(6.45)
Arcil-SBPS-022-II Trust	9.63	9.79	(0.16)	0.01	0.00	0.00	(0.16)	(0.03)
Arcil-SBPS-022-III-Trust	122.87	123.71	(0.84)	0.04	0.58	(0.54)	(1.38)	(0.28)
Arcil-SBPS-022-IV Trust	152.42	251.03	(98.61)	0.42	0.00	0.41	(98.20)	(19.64)
Arcil-Retail Port-046-A-T	137.63	136.27	1.37	0.00	1.87	(1.86)	(0.50)	(0.10)
Arcil-CPS-002-V TrustScheme A	0.03	0.53	(0.49)	-	0.00	(0.00)	(0.50)	(0.10)
Arcil-Retail Loan Portfolio-022-A-Trust	22.89	72.94	(50.06)	0.00	0.08	(0.08)	(50.13)	(10.03)
Arcil-CPS-081-I-Trust	953.89	954.65	(0.76)	-	0.00	(0.00)	(0.76)	(0.15)
Arcil-CPS-047-I-Trust	-	-	-	-	-	-	-	-
Grand Total	**1,601.25**	**1,788.46**	**(187.22)**	**0.47**	**2.61**	**(2.14)**	**(189.35)**	**(39.76)**

Summarised Profit & Loss as on Mar 31, 2025 *Rs. In Millions*

Name of Associate	Revenue	Profit & Loss	Other comprehensive income	Total comprehensive income	Share in Profits of Associate
Arcil-AST-003-IV-Trust	30.97	29.64	-	29.64	7.41
Arcil-SBPS-022-II Trust	1.06	0.51	-	0.51	0.10
Arcil-SBPS-022-III-Trust	0.04	(0.32)	-	(0.32)	(0.06)
Arcil-SBPS-022-IV Trust	7.98	7.38	-	7.38	1.48
Arcil-Retail Port-046-A-T	21.13	19.42	-	19.42	3.88
Arcil-CPS-002-V TrustScheme A	-	0.06	-	0.06	0.01
Arcil-Retail Loan Portfolio-022-A-Trust	24.76	21.76	-	21.76	4.35
Arcil-CPS-081-I-Trust	0.31	(1.80)	-	(1.80)	(0.36)
ARCIL-TRUST-2024-001	0.03	(38.42)	-	(38.42)	(7.68)
Arcil-Trust-2025-013	-	(0.26)	-	(0.26)	(0.05)
Arcil-Trust-2025-012	-	(0.50)	-	(0.50)	(0.13)
Arcil-Trust-2025-018	-	(0.22)	-	(0.22)	(0.04)
Grand Total	**86.29**	**37.24**	**-**	**37.24**	**8.91**

Summarised Profit & Loss as on Mar 31, 2024 *Rs. In Millions*

Name of Associate	Revenue	Profit & Loss	Other comprehensive income	Total comprehensive income	Share in Profits of Associate
Arcil-AST-001-VII-Trust	0.11	(1.48)	-	(1.48)	(0.37)
Arcil-AST-003-IV-Trust	0.21	(4.21)	-	(4.21)	(1.05)
Arcil-SBPS-022-II Trust	-	(0.20)	-	(0.20)	(0.04)
Arcil-SBPS-022-III-Trust	50.21	42.91	-	42.91	8.58
Arcil-SBPS-022-IV Trust	111.44	98.50	-	98.50	19.70
Arcil-Retail Port-046-A-T	32.77	29.06	-	29.06	5.81
Arcil-CPS-002-V TrustScheme A	-	(0.37)	-	(0.37)	(0.08)
Arcil-Retail Loan Portfolio-022-A-Trust	14.41	8.65	-	8.65	1.73
Arcil-CPS-081-I-Trust	0.91	(10.57)	-	(10.57)	(2.11)
ARCIL-TRUST-2024-001	-	(2.31)	-	(2.31)	(0.46)
Grand Total	**210.05**	**159.99**	**-**	**159.99**	**31.71**

Summarised Profit & Loss as on March 31, 2023 *Rs. In Millions*

Name of Associate	Revenue	Profit & Loss	Other comprehensive income	Total comprehensive income	Share in Profits of Associate
Arcil-AST-001-VII-Trust	-	(1.07)	-	(1.07)	(0.27)
Arcil-AST-003-IV-Trust	-	(3.36)	-	(3.36)	(0.84)
Arcil-SBPS-022-II Trust	30.76	29.52	-	29.52	5.90
Arcil-SBPS-022-III-Trust	49.17	43.51	-	43.51	8.70
Arcil-SBPS-022-IV Trust	3.62	(0.36)	-	(0.36)	(0.07)
Arcil-Retail Port-046-A-T	43.43	39.69	-	39.69	7.94
Arcil-CPS-002-V TrustScheme A	0.00	3.80	-	3.80	0.77
Arcil-Retail Loan Portfolio-022-A-Trust	0.07	(6.28)	-	(6.28)	(1.26)
Arcil-CPS-081-I-Trust	-	(0.76)	-	(0.76)	(0.15)
Arcil-CPS-047-I-Trust	(3.02)	(2.82)	-	(2.82)	(0.56)
Grand Total	**124.03**	**101.86**	**-**	**101.86**	**20.16**

Additional Information as required under Schedule III to the Companies Act 2013 of Enterprises consolidated as subsidiary -

Mar-25 *Rs. In Millions*

Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	%	Amount	%	Amount	%	Amount	%	Amount
Parent								
Arcil	103.93%	27,677.98	114.57%	3,553.16	100.00%	(12.97)	114.63%	3,540.20
Indian Subsidaries:								
Arcil-Daewoo Motors India Ltd Trust	-0.03%	(6.68)	0.14%	4.20	0.00%	-	0.14%	4.20
Arcil-Precision Fastners Ltd-Trust	-0.05%	(13.50)	0.03%	0.96	0.00%	-	0.03%	0.96
Arcil-Parekh Platinum Ltd. Trust	0.00%	(0.81)	0.11%	3.44	0.00%	-	0.11%	3.44
Arcil-Bellary Steels & Alloys Ltd.-II Trust	0.00%	(0.25)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-Indo Deutch Metallo Trust	-0.01%	(2.44)	-0.06%	(1.82)	0.00%	-	-0.06%	(1.82)
Arcil-Hanuman Miner Oil Ltd. Trust	-0.01%	(2.83)	0.03%	0.96	0.00%	-	0.03%	0.96
Arcil-Equipment Conductor & Cables Ltd. Trust	-0.02%	(6.31)	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
Arcil-LSIL Trust	-0.01%	(1.63)	-0.01%	(0.17)	0.00%	-	-0.01%	(0.17)
Arcil-PSL II Trust	0.00%	(0.04)	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
Arcil-Polar Industries Limited Trust	0.00%	(0.99)	-0.01%	(0.19)	0.00%	-	-0.01%	(0.19)
Arcil-MVR-I Trust	-0.01%	(2.76)	-0.06%	(1.78)	0.00%	-	-0.06%	(1.78)
Arcil-Ispat Profiles Trust	-0.01%	(2.98)	0.00%	(0.07)	0.00%	-	0.00%	(0.07)
Arcil-Nath Seeds Limited Trust	0.00%	(0.26)	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Arcil-JCT II Trust	-0.02%	(5.13)	-0.02%	(0.67)	0.00%	-	-0.02%	(0.67)
Arcil-Maridia Steel Limited-I Trust	0.01%	2.01	0.01%	0.32	0.00%	-	0.01%	0.32
Arcil-Maridia Steel Limited-II Trust	0.00%	(0.15)	0.00%	(0.11)	0.00%	-	0.00%	(0.11)
Arcil-Maridia Steel Limited-III Trust	0.00%	(0.26)	0.00%	(0.11)	0.00%	-	0.00%	(0.11)
Arcil-MVR-II Trust	0.00%	(0.06)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-NPPML Trust	0.00%	(0.33)	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Arcil-PSL III Trust	0.00%	(0.17)	-0.01%	(0.16)	0.00%	-	-0.01%	(0.16)
Arcil-PSL IV Trust	0.00%	(0.62)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-Kiran Overseas Exports Ltd. Trust	0.00%	(0.84)	-0.01%	(0.33)	0.00%	-	-0.01%	(0.33)
Arcil-Shalimar Wires Industries Limited-II Trust	0.19%	51.01	-0.05%	(1.68)	0.00%	-	-0.05%	(1.68)
Arcil-MVR-III Trust	0.00%	(0.85)	-0.01%	(0.36)	0.00%	-	-0.01%	(0.36)
Arcil-Bentels Corporation Limited Trust	-0.01%	(2.06)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-KOEL-I Trust	0.00%	0.01	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Arcil-Mafatlal Engineering Industries Ltd Trust	-0.05%	(14.30)	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Arcil-Maridia Steel Limited-IV Trust	0.00%	(0.15)	0.00%	(0.11)	0.00%	-	0.00%	(0.11)
Arcil-JCT III Trust	-0.01%	(1.67)	-0.01%	(0.22)	0.00%	-	-0.01%	(0.22)
Arcil-Shalimar Wires Industries Limited-III Trust	0.13%	35.21	-0.03%	(1.02)	0.00%	-	-0.03%	(1.02)
Arcil Mukerian Paper Ltd Trust	-0.02%	(6.60)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-Mukerian II Trust	-0.01%	(1.72)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-KOEL-II Trust	0.00%	(0.16)	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Arcil-Jhagadia Copper Limited Trust	0.00%	(0.15)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-Polar Industries Limited-II Trust	-0.01%	(1.99)	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Arcil-BPL Display Devices Limited-I Trust	0.00%	(0.55)	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Arcil - Excel Oils and Chemicals Pvt. Ltd. Trust	0.00%	0.00	-0.01%	(0.19)	0.00%	-	-0.01%	(0.19)
Arcil-International Sree Balaji Hotels Private Limite	-0.01%	(1.55)	0.03%	0.79	0.00%	-	0.03%	0.79
Arcil-Uday Estates Pvt. Ltd. Trust	-0.01%	(2.68)	-0.03%	(1.05)	0.00%	-	-0.03%	(1.05)
Arcil-L. S. P. Agro Limited Trust	0.00%	(0.56)	1.99%	61.69	0.00%	-	2.00%	61.69
Arcil-The Dhar Textile Mills Ltd. Trust	0.00%	(1.05)	1.33%	41.33	0.00%	-	1.34%	41.33
Arcil-Jagat Edible Oil India Pvt. Ltd. Trust	0.00%	(0.22)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-Vama Exports Ltd. Trust	0.00%	0.84	0.31%	9.55	0.00%	-	0.31%	9.55
Arcil-Golden Fries Ltd. Trust	0.00%	(0.93)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-Esteem Estate Projects Pvt. Ltd. Trust	-0.01%	(3.46)	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Arcil-AST-IV-Trust	-0.01%	(2.37)	0.00%	(0.10)	0.00%	-	0.00%	(0.10)
Arcil-AST-VII-Trust	0.00%	(0.22)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-AST-039-I-Trust	0.00%	(0.28)	-0.01%	(0.33)	0.00%	-	-0.01%	(0.33)
Arcil-AST-001-VI-Trust	0.00%	(0.20)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Arcil-AST-017-I-Trust	0.00%	(0.11)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-AST-018-I-Trust	0.00%	(0.05)	0.00%	(0.14)	0.00%	-	0.00%	(0.14)
Arcil-AST-001-IX-Trust	0.00%	0.03	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
Arcil-AST-001-X-Trust	-0.08%	(20.11)	0.71%	21.92	0.00%	-	0.71%	21.92
Arcil-AST-001-XI-Trust	-0.02%	(5.78)	-0.02%	(0.61)	0.00%	-	-0.02%	(0.61)
Arcil-AST-017-V-Trust	0.00%	0.00	0.00%	(0.08)	0.00%	-	0.00%	(0.08)
Arcil-AST-024-I-Trust	-0.01%	(1.59)	0.00%	(0.08)	0.00%	-	0.00%	(0.08)
Arcil-AST-026-I-Trust	-0.01%	(3.93)	-0.02%	(0.66)	0.00%	-	-0.02%	(0.66)
Arcil-CPS-002-IX Trust	-0.01%	(1.79)	-0.08%	(2.58)	0.00%	-	-0.08%	(2.58)
Arcil-CPS-012-II Trust	0.00%	(0.68)	-0.01%	(0.22)	0.00%	-	-0.01%	(0.22)

Arcil-CPS-012-I Trust	-0.01%	(2.10)	-0.01%	(0.37)	0.00%	-	-0.01%	(0.37)
Arcil-CPS-032-I-Trust	0.00%	(0.59)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-CPS-006-III-Trust	0.00%	(0.16)	0.53%	16.31	0.00%	-	0.53%	16.31
Arcil-CPS-003-IV Trust	0.00%	(1.08)	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
Arcil-CPS-003-V Trust	-0.01%	(2.20)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-CPS-012-III-Trust	0.00%	0.07	0.06%	1.85	0.00%	-	0.06%	1.85
Arcil-CPS-041-I-Trust	-0.02%	(5.63)	-0.01%	(0.39)	0.00%	-	-0.01%	(0.39)
Arcil-CPS-008-II-Trust	0.00%	(0.15)	0.92%	28.49	0.00%	-	0.92%	28.49
Arcil-SBPS-001-I Trust	0.01%	2.19	-0.04%	(1.10)	0.00%	-	-0.04%	(1.10)
Arcil-SBPS-001-VI Trust	-0.06%	(16.60)	-0.02%	(0.56)	0.00%	-	-0.02%	(0.56)
Arcil-SBPS-001-VIII Trust	-0.04%	(10.38)	-0.04%	(1.25)	0.00%	-	-0.04%	(1.25)
Arcil-SBPS-001-X Trust	-0.01%	(3.49)	-0.01%	(0.41)	0.00%	-	-0.01%	(0.41)
Arcil-SBPS 001-XII Trust	0.00%	(0.15)	0.00%	(0.14)	0.00%	-	0.00%	(0.14)
Arcil-SBPS 021-II Trust	0.00%	(0.34)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-SBPS 016-I Trust	0.00%	(1.19)	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Arcil-SBPS-025-I Trust	0.00%	0.25	-0.05%	(1.43)	0.00%	-	-0.05%	(1.43)
Arcil-SBPS-028-I-Trust	-0.01%	(2.36)	0.00%	(0.09)	0.00%	-	0.00%	(0.09)
Arcil-SBPS-027-I Trust	0.00%	(0.81)	0.07%	2.31	0.00%	-	0.07%	2.31
Arcil-SBPS-026-II-Trust	0.00%	(0.14)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-SBPS-002-II-Trust	0.00%	0.01	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Arcil-Shalimar Wires Industries Limited-IV TrustSe	0.00%	0.03	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Arcil-SBPS-042-I-Trust	0.00%	0.08	0.52%	16.20	0.00%	-	0.52%	16.20
Arcil NHB Retail Loan Portfolio 001 Trust	-0.01%	(2.96)	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Arcil-Retail Loan Portfolio-002-A Trust	0.00%	(0.45)	0.00%	(0.09)	0.00%	-	0.00%	(0.09)
Arcil-Retail Loan Portfolio-002-B Trust	0.00%	(0.11)	0.01%	0.42	0.00%	-	0.01%	0.42
Arcil-Retail Loan Portfolio-003-A Trust	0.00%	0.01	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-Retail Loan Portfolio-029-A-Trust	0.00%	(0.08)	0.04%	1.30	0.00%	-	0.04%	1.30
Arcil-Retail Loan Portfolio -036-A-Trust	0.01%	1.70	0.77%	24.01	0.00%	-	0.78%	24.01
Arcil-Retail Port-044-A-T	0.00%	1.28	0.18%	5.63	0.00%	-	0.18%	5.63
Arcil-Retail Port-048-A-Trust	0.00%	0.13	0.27%	8.52	0.00%	-	0.28%	8.52
Arcil-Retail Port-042-A-Trust	0.00%	(0.60)	1.39%	42.98	0.00%	-	1.39%	42.98
Arcil-Retail Port-032-A-Trust	0.00%	(0.42)	-0.01%	(0.22)	0.00%	-	-0.01%	(0.22)
Arcil-Retail Port-049-A-Trust	0.00%	(0.15)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-Retail Port-050-A-Trust	0.00%	(0.51)	0.00%	(0.10)	0.00%	-	0.00%	(0.10)
Arcil Retail Loan Portfolio-045-B-Trust	-0.08%	(21.12)	-0.06%	(1.74)	0.00%	-	-0.06%	(1.74)
Arcil Retail Loan Portfolio-042-B-Trust	0.00%	(0.45)	0.38%	11.70	0.00%	-	0.38%	11.70
Arcil Retail Loan Portfolio-053-A-Trust	-0.04%	(9.72)	-0.04%	(1.22)	0.00%	-	-0.04%	(1.22)
Arcil-Shalimar Wires Industries Limited-IV TrustSe	0.17%	45.28	-0.05%	(1.69)	0.00%	-	-0.05%	(1.69)
Arcil-CPS 002-II TrustScheme B	0.00%	(1.08)	-0.02%	(0.65)	0.00%	-	-0.02%	(0.65)
Arcil-CPS-002-VII TrustScheme B	-0.01%	(2.98)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-CPS-002-VII TrustScheme D	0.00%	(0.53)	0.00%	(0.10)	0.00%	-	0.00%	(0.10)
Arcil-CPS-002-I TrustScheme A4	0.00%	(0.21)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-CPS-002-I TrustScheme A5	0.00%	(0.18)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-CPS-002-I TrustScheme A6	0.00%	(0.68)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-CPS-002-I TrustScheme B1	0.00%	0.06	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-CPS-002-I TrustScheme D	-0.13%	(35.19)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-SBPS 001-IV TrustScheme A	0.11%	27.99	-0.03%	(1.08)	0.00%	-	-0.04%	(1.08)
Arcil-SBPS 001-IV TrustScheme B	0.00%	(1.02)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-SBPS 001-III TrustScheme A	0.07%	18.40	0.42%	12.98	0.00%	-	0.42%	12.98
Arcil-SBPS 001-III TrustScheme B	0.01%	2.65	0.09%	2.81	0.00%	-	0.09%	2.81
Arcil-SBPS 001-V TrustScheme B	-0.02%	(6.29)	0.00%	(0.14)	0.00%	-	0.00%	(0.14)
Arcil-SBPS 002-I TrustScheme A	-0.01%	(1.42)	-0.03%	(1.02)	0.00%	-	-0.03%	(1.02)
Arcil-SBPS 002-I TrustScheme B2	-0.01%	(3.15)	0.28%	8.78	0.00%	-	0.28%	8.78
Arcil-SBPS-007-II-TrustScheme C	-0.02%	(4.94)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-SBPS-007-II-TrustScheme A1	0.00%	(0.18)	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Arcil-SBPS-007-II-TrustScheme A2	0.00%	(0.14)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-SBPS-014-I-TrustScheme A	-0.01%	(3.31)	-0.01%	(0.23)	0.00%	-	-0.01%	(0.23)
Arcil-SBPS-014-I-TrustScheme B	0.00%	(0.68)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-SBPS 014-II TrustScheme A	0.00%	(1.31)	0.00%	0.00	0.00%	-	0.00%	0.00
Arcil-SBPS 014-II TrustScheme C	0.00%	(0.42)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-SBPS 013-I TrustScheme B	-0.01%	(2.49)	0.08%	2.35	0.00%	-	0.08%	2.35
Arcil-SBPS 019-I TrustScheme B	0.00%	(0.48)	-0.02%	(0.62)	0.00%	-	-0.02%	(0.62)
Arcil-SBPS 022-I TrustScheme A1	-0.01%	(2.02)	-0.01%	(0.45)	0.00%	-	-0.01%	(0.45)
Arcil-SBPS 021-I TrustScheme B	0.00%	(0.02)	0.23%	7.01	0.00%	-	0.23%	7.01
Arcil-SBPS 021-I TrustScheme C	0.00%	(0.23)	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Arcil-AARF-II-Trust	0.21%	55.07	4.63%	143.65	0.00%	-	4.65%	143.65
ARCIL-AST-024-II-TRUST	-0.05%	(14.46)	0.36%	11.03	0.00%	-	0.36%	11.03
Arcil-SBPS-060-I-Trust	-0.02%	(4.97)	-0.04%	(1.22)	0.00%	-	-0.04%	(1.22)
Arcil-SBPS-041-I-Trust	-0.01%	(1.49)	8.25%	255.96	0.00%	-	8.29%	255.96
Arcil-Retail Loan Portfolio-058-B-Trust	-0.10%	(25.46)	-0.06%	(1.98)	0.00%	-	-0.06%	(1.98)
Arcil-Retail Loan Portfolio-060-A-Trust	-0.03%	(7.47)	-0.04%	(1.10)	0.00%	-	-0.04%	(1.10)
Arcil-Retail Loan Portfolio-061-A-Trust	-0.02%	(5.74)	-0.03%	(0.98)	0.00%	-	-0.03%	(0.98)

Arcil-Retail Loan Portfolio-058-C-Trust	0.00%	0.68	0.58%	17.92	0.00%	-	0.58%	17.92
Arcil-Retail Loan Portfolio-42-D-Trust	-0.03%	(7.96)	-0.06%	(1.85)	0.00%	-	-0.06%	(1.85)
Arcil-Retail Loan Portfolio-042-E-Trust	-0.04%	(11.49)	-0.04%	(1.16)	0.00%	-	-0.04%	(1.16)
Arcil- SBPS-006-VII Trust	0.01%	3.28	1.90%	58.98	0.00%	-	1.91%	58.98
Arcil-Retail Loan Portfolio-042-F-Trust	-0.08%	(21.81)	-0.13%	(4.15)	0.00%	-	-0.13%	(4.15)
Arcil-Retail Loan Portfolio-042-I-Trust	-0.02%	(6.05)	-0.03%	(0.97)	0.00%	-	-0.03%	(0.97)
Arcil-Retail Loan Portfolio-042-H-Trust	-0.07%	(18.56)	-0.15%	(4.66)	0.00%	-	-0.15%	(4.66)
Arcil-Retail Loan Portfolio-042-G-Trust	-0.14%	(36.11)	-0.46%	(14.20)	0.00%	-	-0.46%	(14.20)
Arcil-Retail Loan Portfolio-029-B-Trust	-0.02%	(6.38)	-0.07%	(2.21)	0.00%	-	-0.07%	(2.21)
Arcil-Retail Loan Portfolio-074-A-Trust	-0.03%	(7.96)	-0.06%	(1.87)	0.00%	-	-0.06%	(1.87)
Arcil-AST-001-XVIII-Trust	-0.03%	(7.78)	-0.19%	(5.98)	0.00%	-	-0.19%	(5.98)
Arcil-CPS-II-Trust	-0.20%	(52.52)	-0.72%	(22.39)	0.00%	-	-0.73%	(22.39)
Arcil-SBPS-I-Trust	-0.07%	(19.06)	-0.08%	(2.37)	0.00%	-	-0.08%	(2.37)
Arcil-SBPS 073-I Trust	-0.02%	(4.19)	0.56%	17.33	0.00%	-	0.56%	17.33
Arcil-Retail Loan Portfolio-074-B-Trust	-0.02%	(4.90)	-0.06%	(1.74)	0.00%	-	-0.06%	(1.74)
Arcil-Retail Loan Portfolio-045-C-Trust	-0.01%	(3.68)	-0.05%	(1.44)	0.00%	-	-0.05%	(1.44)
Arcil-Parasrampuria Synthetics ltd Trust	-0.02%	(5.56)	0.00%	0.03	0.00%	-	0.00%	0.03
Arcil-Kishore Dalal & Company Trust	-0.08%	(22.40)	0.01%	0.37	0.00%	-	0.01%	0.37
Arcil-CPS-002-VII Trust	0.00%	1.24	-0.02%	(0.54)	0.00%	-	-0.02%	(0.54)
Arcil-AST-003-VIII-Trust	-0.02%	(5.83)	-0.15%	(4.63)	0.00%	-	-0.15%	(4.63)
Arcil-AST-RA-001 Trust	-0.02%	(4.57)	-0.04%	(1.16)	0.00%	-	-0.04%	(1.16)
Arcil-AST-030-II-Trust	0.00%	(0.73)	-0.01%	(0.45)	0.00%	-	-0.01%	(0.45)
Arcil-CPS-IV-Trust	-0.44%	(118.25)	-1.73%	(53.71)	0.00%	-	-1.74%	(53.71)
Arcil-Retail Loan Portfolio-092-A-Trust	-0.15%	(39.94)	-0.68%	(20.99)	0.00%	-	-0.68%	(20.99)
Arcil-2024C-001 -Trust	-0.06%	(16.28)	-0.43%	(13.35)	0.00%	-	-0.43%	(13.35)
Arcil-2024C-003 -Trust	-0.09%	(24.21)	-0.67%	(20.91)	0.00%	-	-0.68%	(20.91)
Arcil-2024C-004 -Trust	-0.09%	(25.06)	-0.70%	(21.66)	0.00%	-	-0.70%	(21.66)
Arcil-2024C-005 -Trust	-0.01%	(2.29)	-0.05%	(1.70)	0.00%	-	-0.06%	(1.70)
Arcil-2024C-007-Trust	-0.04%	(11.79)	-0.38%	(11.74)	0.00%	-	-0.38%	(11.74)
Arcil-2024C-006 -Trust	-0.01%	(1.50)	-0.04%	(1.32)	0.00%	-	-0.04%	(1.32)
Arcil-Trust-2025C-001	0.00%	(1.26)	-0.04%	(1.26)	0.00%	-	-0.04%	(1.26)
Arcil-Trust-2025C-005	-0.01%	(3.49)	-0.11%	(3.49)	0.00%	-	-0.11%	(3.49)
Arcil-Trust-2025C-007	0.00%	(0.61)	-0.02%	(0.61)	0.00%	-	-0.02%	(0.61)
Arcil-Trust-2025C-015	0.00%	(0.74)	-0.02%	(0.74)	0.00%	-	-0.02%	(0.74)
Arcil-Trust-2025C-019	0.00%	(0.02)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-Trust-2025C-013	-0.01%	(2.73)	-0.09%	(2.73)	0.00%	-	-0.09%	(2.73)
Arcil-Trust-2025C-018	0.00%	(0.06)	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
Arcil-Trust-2025C-003	-0.01%	(2.94)	-0.09%	(2.94)	0.00%	-	-0.10%	(2.94)
Arcil-Trust-2025C-004	-0.08%	(20.54)	-0.66%	(20.54)	0.00%	-	-0.67%	(20.54)
Arcil-Trust-2025C-006	-0.01%	(2.45)	-0.08%	(2.45)	0.00%	-	-0.08%	(2.45)
Arcil-Trust-2025C-008	-0.01%	(1.80)	-0.06%	(1.80)	0.00%	-	-0.06%	(1.80)
Arcil-Trust-2025-005	-0.05%	(12.74)	-0.41%	(12.74)	0.00%	-	-0.41%	(12.74)
Arcil-Trust-2025C-010	0.00%	(0.78)	-0.03%	(0.78)	0.00%	-	-0.03%	(0.78)
Arcil-Trust-2025C-009	0.00%	(0.85)	-0.03%	(0.85)	0.00%	-	-0.03%	(0.85)
Arcil-Trust-2025-008	-0.13%	(35.34)	-1.14%	(35.34)	0.00%	-	-1.14%	(35.34)
Arcil-Trust-2025C-012	-0.01%	(2.46)	-0.08%	(2.46)	0.00%	-	-0.08%	(2.46)
Arcil-Trust-2025C-011	0.00%	(0.49)	-0.02%	(0.49)	0.00%	-	-0.02%	(0.49)
Arcil-Trust-2025C-014	0.00%	(0.36)	-0.01%	(0.36)	0.00%	-	-0.01%	(0.36)
Arcil-Trust-2025-015	-0.05%	(12.90)	-0.42%	(12.90)	0.00%	-	-0.42%	(12.90)
Arcil-Trust-2025-016	-0.04%	(10.27)	-0.33%	(10.27)	0.00%	-	-0.33%	(10.27)
Arcil-Trust-2025C-016	0.00%	(0.21)	-0.01%	(0.21)	0.00%	-	-0.01%	(0.21)
Arcil-Trust-2025-010	-0.01%	(2.42)	-0.08%	(2.42)	0.00%	-	-0.08%	(2.42)
Arcil-Trust-2025C-017	0.00%	(0.04)	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Associates (Investment as per Equity method)								
Arcil-AST-003-IV-Trust	0.00%	-	0.24%	7.41	0.00%	-	0.24%	7.41
Arcil-SBPS-022-II Trust	0.00%	-	0.00%	0.10	0.00%	-	0.00%	0.10
Arcil-SBPS-022-III-Trust	0.00%	-	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
Arcil-SBPS-022-IV Trust	0.00%	-	0.05%	1.48	0.00%	-	0.05%	1.48
Arcil-Retail Port-046-A-T	0.00%	-	0.13%	3.88	0.00%	-	0.13%	3.88
Arcil-CPS-002-V TrustScheme A	0.00%	-	0.00%	0.01	0.00%	-	0.00%	0.01
Arcil-Retail Loan Portfolio-022-A-Trust	0.00%	-	0.14%	4.35	0.00%	-	0.14%	4.35
Arcil-CPS-081-I-Trust	0.00%	-	-0.01%	(0.36)	0.00%	-	-0.01%	(0.36)
ARCIL-TRUST-2024-001	0.00%	-	-0.25%	(7.68)	0.00%	-	-0.25%	(7.68)
Arcil-Trust-2025-013	0.00%	-	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Arcil-Trust-2025-012	0.00%	-	0.00%	(0.13)	0.00%	-	0.00%	(0.13)
Arcil-Trust-2025-018	0.00%	-	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Total	**101.33%**	**26,985.83**	**130.16%**	**4,036.68**	**100.00%**	**(13)**	**130.29%**	**4,023.71**

Inter Company Elimination / Consolidation Adjustments	1.07%	285.3559	-23.91%	**(741.61)**	0.00%	-	-24.01%	(741.61)
Net Total	**102.40%**	**27,271.1854**	**106.25%**	**3,295.07**	**100.00%**	**(13)**	**106.27%**	**3,282.11**
Non Controlling Interest in all subsidiaries	-2.40%	-639.7880	-6.25%	(193.78)	0.00%	-	-6.27%	(193.78)
Grand Total	**100.00%**	**26,631**	**100.00%**	**3,101.29**	**100.00%**	**(13)**	**100.00%**	**3,088.33**

Mar-24 *Rs. In Millions*

Name of Enterprise	**Net assets i.e Total Assets Minus Total Liabilities**		**Share in Profit or Loss**		**Share in Other Comprehensive Income**		**Share in Total Comprehensive Income**	
	%	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**
Parent								
Arcil	101.48%	24,625.13	97.22%	3,053.43	100.00%	(13.49)	97.21%	3,039.94
Indian Subsidaries:								
Arcil-Daewoo Motors India Ltd Trust	-0.04%	(10.88)	-0.23%	(7.25)	0.00%	-	-0.23%	(7.25)
Arcil-Parasrampuria Synthetics ltd Trust	-0.02%	(5.60)	1.56%	48.23	0.00%	-	1.56%	48.23
Arcil-Precision Fastners Ltd-Trust	-0.06%	(14.46)	-0.50%	(15.60)	0.00%	-	-0.51%	(15.60)
Arcil-Parekh Platinum Ltd. Trust	0.00%	0.21	0.00%	(0.07)	0.00%	-	0.00%	(0.07)
Arcil-Bellary Steels & Alloys Ltd.-II Trust	0.00%	(0.22)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-Indo Deutch Metallo Trust	0.00%	(0.62)	-0.01%	(0.24)	0.00%	-	-0.01%	(0.24)
Arcil-Hanuman Miner Oil Ltd. Trust	-0.02%	(3.79)	0.00%	(0.07)	0.00%	-	0.00%	(0.07)
Arcil-Equipment Conductor & Cables Ltd. Trust	-0.03%	(6.25)	0.00%	0.01	0.00%	-	0.00%	0.01
Arcil-LSIL Trust	0.00%	1.09	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-PSL II Trust	0.00%	0.02	0.00%	0.01	0.00%	-	0.00%	0.01
Arcil-Polar Industries Limited Trust	0.01%	1.41	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-MVR-I Trust	0.00%	(0.98)	-0.01%	(0.29)	0.00%	-	-0.01%	(0.29)
Arcil-Ispat Profiles Trust	-0.01%	(2.90)	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Arcil-Nath Seeds Limited Trust	0.00%	(0.22)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-JCT II Trust	-0.02%	(4.47)	0.03%	0.91	0.00%	-	0.03%	0.91
Arcil-Maridia Steel Limited-I Trust	0.01%	1.69	0.01%	0.25	0.00%	-	0.01%	0.25
Arcil-Maridia Steel Limited-II Trust	0.00%	(0.04)	0.00%	(0.10)	0.00%	-	0.00%	(0.10)
Arcil-Maridia Steel Limited-III Trust	0.00%	(0.15)	-0.01%	(0.21)	0.00%	-	-0.01%	(0.21)
Arcil-MVR-II Trust	0.00%	(0.04)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-NPPML Trust	0.00%	(0.29)	0.00%	0.09	0.00%	-	0.00%	0.09
Arcil-PSL III Trust	0.00%	(0.00)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-PSL IV Trust	0.00%	(0.60)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-Kishore Dalal & Company Trust	-0.09%	(22.77)	-0.77%	(23.96)	0.00%	-	-0.78%	(23.96)
Arcil-Kiran Overseas Exports Ltd. Trust	0.00%	(0.51)	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Arcil-Shalimar Wires Industries Limited-II Trust	0.22%	52.69	1.45%	45.04	0.00%	-	1.46%	45.04
Arcil-MVR-III Trust	0.00%	(0.49)	-0.01%	(0.19)	0.00%	-	-0.01%	(0.19)
Arcil-Bentels Corporation Limited Trust	-0.01%	(2.03)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-KOEL-I Trust	0.00%	0.04	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Arcil-Mafatlal Engineering Industries Ltd Trust	-0.06%	(14.26)	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Arcil-Maridia Steel Limited-IV Trust	0.00%	(0.04)	0.00%	(0.10)	0.00%	-	0.00%	(0.10)
Arcil-JCT III Trust	0.00%	0.65	2.31%	71.70	0.00%	-	2.32%	71.70
Arcil-Shalimar Wires Industries Limited-III Trust	0.15%	36.23	0.96%	29.90	0.00%	-	0.97%	29.90
Arcil Mukerian Paper Ltd Trust	-0.03%	(6.57)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-Mukerian II Trust	-0.01%	(1.69)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-KOEL-II Trust	0.00%	(0.11)	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
Arcil-Jhagadia Copper Limited Trust	0.00%	(0.13)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-Polar Industries Limited-II Trust	-0.01%	(1.94)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-BPL Display Devices Limited-I Trust	0.00%	(0.49)	0.57%	17.69	0.00%	-	0.57%	17.69
Arcil - Excel Oils and Chemicals Pvt. Ltd. Trust	0.00%	0.20	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-International Sree Balaji Hotels Private Limite	-0.01%	(2.34)	-0.05%	(1.49)	0.00%	-	-0.05%	(1.49)
Arcil-Uday Estates Pvt. Ltd. Trust	-0.01%	(1.63)	4.16%	129.07	0.00%	-	4.18%	129.07
Arcil-Rustagi Impex Private Limited Trust	0.00%	-	0.00%	0.06	0.00%	-	0.00%	0.06
Arcil-L. S. P. Agro Limited Trust	0.00%	(0.30)	0.00%	(0.14)	0.00%	-	0.00%	(0.14)
Arcil-The Dhar Textile Mills Ltd. Trust	0.00%	0.35	-0.03%	(0.97)	0.00%	-	-0.03%	(0.97)
Arcil-Jagat Edible Oil India Pvt. Ltd. Trust	0.00%	(0.19)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-Vama Exports Ltd. Trust	-0.04%	(8.70)	-0.01%	(0.24)	0.00%	-	-0.01%	(0.24)
Arcil-Golden Fries Ltd. Trust	0.00%	(0.91)	0.00%	(0.12)	0.00%	-	0.00%	(0.12)
Arcil-Esteem Estate Projects Pvt. Ltd. Trust	-0.01%	(3.42)	-0.02%	(0.53)	0.00%	-	-0.02%	(0.53)
Arcil-AST-IV-Trust	-0.01%	(2.26)	-0.04%	(1.34)	0.00%	-	-0.04%	(1.34)
Arcil-AST-VII-Trust	0.00%	(0.19)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-AST-039-I-Trust	0.00%	0.42	0.23%	7.19	0.00%	-	0.23%	7.19
Arcil-AST-001-VI-Trust	0.00%	(0.19)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)

Arcil-AST-003-I-Trust	0.00%	0.14	0.38%	11.83	0.00%	-	0.38%	11.83
Arcil-AST-027-I-Trust	0.00%	(0.13)	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Arcil-AST-017-I-Trust	0.00%	(0.09)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-AST-017-IV-Trust	0.00%	(0.06)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-AST-034-II-Trust	0.00%	(0.10)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-AST-001-VIII-Trust	0.00%	0.00	0.01%	0.43	0.00%	-	0.01%	0.43
Arcil-AST-003-V-Trust	0.00%	0.00	0.00%	0.10	0.00%	-	0.00%	0.10
Arcil-AST-018-I-Trust	0.00%	0.09	0.00%	0.08	0.00%	-	0.00%	0.08
Arcil-AST-001-IX-Trust	0.00%	0.09	0.00%	0.15	0.00%	-	0.00%	0.15
Arcil-AST-001-X-Trust	-0.17%	(42.03)	-0.03%	(0.78)	0.00%	-	-0.03%	(0.78)
Arcil-AST-034-III-Trust	0.00%	(0.00)	0.01%	0.43	0.00%	-	0.01%	0.43
Arcil-AST-001-XI-Trust	-0.02%	(5.17)	-0.02%	(0.66)	0.00%	-	-0.02%	(0.66)
Arcil-AST-051-I-Trust	0.00%	0.00	0.00%	0.09	0.00%	-	0.00%	0.09
Arcil-AST-017-V-Trust	0.00%	0.08	0.00%	0.10	0.00%	-	0.00%	0.10
Arcil-AST-041-I-Trust	0.00%	0.00	0.00%	0.11	0.00%	-	0.00%	0.11
Arcil-AST-001-XII-Trust	0.00%	0.62	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-AST-024-I-Trust	-0.01%	(1.50)	-0.01%	(0.24)	0.00%	-	-0.01%	(0.24)
Arcil-AST-026-I-Trust	-0.01%	(3.28)	-0.03%	(0.79)	0.00%	-	-0.03%	(0.79)
Arcil-AST-056-I-Trust	0.00%	0.59	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
ARCIL-AST-024-II-TRUST	-0.11%	(25.49)	-0.09%	(2.83)	0.00%	-	-0.09%	(2.83)
Arcil-AST-082-I-Trust	0.00%	0.05	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Arcil-AST-082-II-Trust	0.00%	0.09	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-AST-001-XVIII-Trust	-0.01%	(3.51)	-0.11%	(3.42)	0.00%	-	-0.11%	(3.42)
Arcil-AST-003-VIII-Trust	-0.01%	(2.50)	-0.08%	(2.50)	0.00%	-	-0.08%	(2.50)
Arcil-AST-RA-001 Trust	-0.01%	(3.41)	-0.11%	(3.41)	0.00%	-	-0.11%	(3.41)
Arcil-AST-030-II-Trust	0.00%	(0.51)	-0.02%	(0.51)	0.00%	-	-0.02%	(0.51)
Arcil-AST-090-I-Trust	-0.01%	(3.14)	-0.10%	(3.14)	0.00%	-	-0.10%	(3.14)
Arcil-Shalimar Wires Industries Limited-IV TrustSe	0.19%	46.96	1.24%	38.55	0.00%	-	1.25%	38.55
Arcil-CPS-002-IX Trust	0.00%	0.80	4.72%	146.44	0.00%	-	4.74%	146.44
Arcil-CPS-012-II Trust	0.00%	(0.46)	0.33%	10.12	0.00%	-	0.33%	10.12
Arcil-CPS-012-I Trust	0.05%	12.70	-0.03%	(0.98)	0.00%	-	-0.03%	(0.98)
Arcil-CPS-032-I-Trust	0.00%	(0.56)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-CPS-006-III-Trust	0.00%	(0.29)	-0.03%	(1.02)	0.00%	-	-0.03%	(1.02)
Arcil-CPS-003-IV Trust	0.00%	(1.02)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-CPS-003-V Trust	-0.01%	(2.17)	0.00%	(0.09)	0.00%	-	0.00%	(0.09)
Arcil-CPS-012-III-Trust	-0.01%	(1.78)	-0.01%	(0.23)	0.00%	-	-0.01%	(0.23)
Arcil-CPS-041-I-Trust	-0.02%	(5.23)	-0.03%	(0.86)	0.00%	-	-0.03%	(0.86)
Arcil-CPS-008-II-Trust	0.00%	(0.03)	0.04%	1.13	0.00%	-	0.04%	1.13
Arcil-CPS-II-Trust	-0.18%	(44.62)	-1.10%	(34.15)	0.00%	-	-1.11%	(34.15)
Arcil-CPS-IV-Trust	-0.27%	(64.54)	-2.08%	(64.54)	0.00%	-	-2.09%	(64.54)
Arcil-CPS 002-II TrustScheme B	0.00%	(0.43)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-CPS-002-VII TrustScheme B	-0.01%	(2.96)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-CPS-002-VII Trust	0.01%	1.78	3.52%	109.23	0.00%	-	3.54%	109.23
Arcil-CPS-002-VII TrustScheme D	0.00%	(0.43)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-CPS-002-I TrustScheme A4	0.00%	(0.02)	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Arcil-CPS-002-I TrustScheme A5	0.00%	(0.16)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-CPS-002-I TrustScheme A6	0.00%	(0.65)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-CPS-002-I TrustScheme B1	0.00%	0.08	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Arcil-CPS-002-I TrustScheme D	-0.14%	(35.17)	-1.14%	(35.43)	0.00%	-	-1.15%	(35.43)
Arcil-SBPS-001-I Trust	0.01%	3.29	-0.07%	(2.03)	0.00%	-	-0.07%	(2.03)
Arcil-SBPS-001-VI Trust	0.00%	1.14	-0.06%	(1.85)	0.00%	-	-0.06%	(1.85)
Arcil-SBPS-001-VIII Trust	-0.04%	(9.14)	-0.06%	(1.95)	0.00%	-	-0.06%	(1.95)
Arcil-SBPS-001-X Trust	-0.01%	(3.07)	-0.03%	(0.78)	0.00%	-	-0.03%	(0.78)
Arcil-SBPS 001-XII Trust	0.00%	0.37	0.70%	21.76	0.00%	-	0.70%	21.76
Arcil-SBPS 021-II Trust	0.00%	(0.31)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-SBPS 016-I Trust	0.00%	(1.14)	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Arcil-SBPS-025-I Trust	0.01%	1.68	0.20%	6.13	0.00%	-	0.20%	6.13
Arcil-SBPS-028-I-Trust	0.06%	14.73	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-SBPS-027-I Trust	0.03%	7.72	1.26%	39.10	0.00%	-	1.27%	39.10
Arcil-SBPS-026-II-Trust	0.00%	(0.11)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-SBPS-002-II-Trust	0.00%	0.06	0.01%	0.16	0.00%	-	0.01%	0.16
Arcil-SBPS-008-I Trust	0.00%	0.04	0.22%	6.73	0.00%	-	0.22%	6.73
Arcil-SBPS-042-I-Trust	0.00%	(0.19)	0.18%	5.47	0.00%	-	0.18%	5.47
Arcil-SBPS-060-I-Trust	-0.02%	(3.75)	-0.03%	(1.04)	0.00%	-	-0.03%	(1.04)
Arcil-SBPS-041-I-Trust	-0.02%	(3.68)	1.40%	43.30	0.00%	-	1.40%	43.30
Arcil- SBPS-006-VII Trust	-0.03%	(6.54)	-0.03%	(0.85)	0.00%	-	-0.03%	(0.85)
Arcil-SBPS-I-Trust	-0.07%	(16.69)	-0.30%	(9.25)	0.00%	-	-0.30%	(9.25)
Arcil-SBPS 073-I Trust	-0.04%	(9.16)	-0.17%	(5.25)	0.00%	-	-0.17%	(5.25)
Arcil-2024C-007-Trust	0.00%	(0.05)	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Arcil-SBPS 001-IV TrustScheme A	0.12%	29.07	-0.07%	(2.05)	0.00%	-	-0.07%	(2.05)
Arcil-SBPS 001-IV TrustScheme B	0.00%	(0.98)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Arcil-SBPS 001-III TrustScheme A	0.04%	8.74	-0.07%	(2.09)	0.00%	-	-0.07%	(2.09)

Arcil-SBPS 001-III TrustScheme B	0.00%	(0.16)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-SBPS 001-V TrustScheme B	-0.03%	(6.14)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-SBPS 002-I TrustScheme A	0.00%	(0.39)	-0.06%	(1.95)	0.00%	-	-0.06%	(1.95)

Arcil-SBPS 002-I TrustScheme B2	0.02%	4.03	-0.01%	(0.42)	0.00%	-	-0.01%	(0.42)
Arcil-SBPS-007-II-TrustScheme C	-0.02%	(4.90)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-SBPS-007-II-TrustScheme A1	0.00%	1.16	0.03%	1.07	0.00%	-	0.03%	1.07
Arcil-SBPS-007-II-TrustScheme A2	0.00%	(0.12)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-SBPS-014-I-TrustScheme A	-0.01%	(3.08)	-0.02%	(0.50)	0.00%	-	-0.02%	(0.50)
Arcil-SBPS-014-I-TrustScheme B	0.00%	(0.66)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-SBPS 014-II TrustScheme A	0.04%	9.15	0.16%	4.87	0.00%	-	0.16%	4.87
Arcil-SBPS 014-II TrustScheme C	0.00%	(0.40)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-SBPS 013-I TrustScheme B	0.05%	12.71	0.04%	1.33	0.00%	-	0.04%	1.33
Arcil-SBPS 019-I TrustScheme B	0.00%	0.15	0.06%	1.72	0.00%	-	0.06%	1.72
Arcil-SBPS 022-I TrustScheme A1	0.03%	7.79	0.44%	13.74	0.00%	-	0.44%	13.74
Arcil-SBPS 021-I TrustScheme B	0.00%	0.07	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Arcil-SBPS 021-I TrustScheme C	0.00%	(0.20)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Arcil-AARF-II-Trust	-0.04%	(9.28)	3.41%	105.77	0.00%	-	3.42%	105.77
Arcil NHB Retail Loan Portfolio 001 Trust	-0.01%	(2.92)	0.00%	(0.09)	0.00%	-	0.00%	(0.09)
Arcil-Retail Loan Portfolio-002-A Trust	0.01%	3.32	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Arcil-Retail Loan Portfolio-002-B Trust	0.00%	0.65	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Arcil-Retail Loan Portfolio-003-A Trust	0.00%	0.04	0.00%	(0.09)	0.00%	-	0.00%	(0.09)
Arcil-Retail Loan Portfolio-029-A-Trust	0.00%	(0.43)	-0.01%	(0.27)	0.00%	-	-0.01%	(0.27)
Arcil-Retail Loan Portfolio -036-A-Trust	0.01%	1.56	0.53%	16.57	0.00%	-	0.54%	16.57
Arcil-Retail Port-044-A-T	0.00%	(0.10)	0.42%	12.97	0.00%	-	0.42%	12.97
Arcil-Retail Port-048-A-Trust	0.00%	(0.03)	0.16%	5.09	0.00%	-	0.16%	5.09
Arcil-Retail Port-042-A-Trust	0.00%	(0.92)	0.13%	4.03	0.00%	-	0.13%	4.03
Arcil-Retail Port-032-A-Trust	0.00%	(0.20)	0.11%	3.26	0.00%	-	0.11%	3.26
Arcil-Retail Port-049-A-Trust	0.00%	(0.13)	0.48%	14.79	0.00%	-	0.48%	14.79
Arcil-Retail Port-050-A-Trust	0.00%	(0.41)	0.00%	(0.10)	0.00%	-	0.00%	(0.10)
Arcil Retail Loan Portfolio-045-B-Trust	-0.08%	(19.38)	-0.12%	(3.75)	0.00%	-	-0.12%	(3.75)
Arcil Retail Loan Portfolio-042-B-Trust	-0.04%	(8.94)	-0.03%	(0.95)	0.00%	-	-0.03%	(0.95)
Arcil Retail Loan Portfolio-053-A-Trust	-0.04%	(8.50)	-0.05%	(1.56)	0.00%	-	-0.05%	(1.56)
Arcil-Retail Loan Portfolio-058-B-Trust	-0.10%	(23.48)	-0.19%	(5.82)	0.00%	-	-0.19%	(5.82)
Arcil-Retail Loan Portfolio-060-A-Trust	-0.03%	(6.37)	-0.03%	(0.81)	0.00%	-	-0.03%	(0.81)
Arcil-Retail Loan Portfolio-061-A-Trust	-0.02%	(4.76)	-0.04%	(1.33)	0.00%	-	-0.04%	(1.33)
Arcil-Retail Loan Portfolio-058-C-Trust	-0.03%	(8.12)	-0.04%	(1.37)	0.00%	-	-0.04%	(1.37)
Arcil-Retail Loan Portfolio-42-D-Trust	-0.03%	(6.10)	-0.07%	(2.02)	0.00%	-	-0.07%	(2.02)
Arcil-Retail Loan Portfolio-042-E-Trust	-0.04%	(10.33)	-0.15%	(4.61)	0.00%	-	-0.15%	(4.61)
Arcil-Retail Loan Portfolio-042-F-Trust	-0.07%	(17.66)	-0.33%	(10.24)	0.00%	-	-0.33%	(10.24)
Arcil-Retail Loan Portfolio-042-I-Trust	-0.02%	(5.08)	-0.11%	(3.30)	0.00%	-	-0.11%	(3.30)
Arcil-Retail Loan Portfolio-042-H-Trust	-0.06%	(13.90)	-0.29%	(9.11)	0.00%	-	-0.29%	(9.11)
Arcil-Retail Loan Portfolio-042-G-Trust	-0.09%	(21.91)	-0.42%	(13.03)	0.00%	-	-0.42%	(13.03)
Arcil-Retail Loan Portfolio-029-B-Trust	-0.02%	(4.17)	-0.07%	(2.09)	0.00%	-	-0.07%	(2.09)
Arcil-Retail Loan Portfolio-074-A-Trust	-0.03%	(6.09)	-0.09%	(2.68)	0.00%	-	-0.09%	(2.68)
Arcil-Retail Loan Portfolio-074-B-Trust	-0.01%	(3.16)	-0.05%	(1.44)	0.00%	-	-0.05%	(1.44)
Arcil-Retail Loan Portfolio-045-C-Trust	-0.01%	(2.24)	-0.06%	(1.82)	0.00%	-	-0.06%	(1.82)
Arcil-Retail Loan Portfolio-092-A-Trust	-0.08%	(20.43)	-0.66%	(20.43)	0.00%	-	-0.66%	(20.43)
Arcil-2024C-001 -Trust	-0.01%	(2.93)	-0.09%	(2.93)	0.00%	-	-0.09%	(2.93)
Arcil-2024C-003 -Trust	-0.01%	(3.29)	-0.11%	(3.29)	0.00%	-	-0.11%	(3.29)
Arcil-2024C-004 -Trust	-0.01%	(3.40)	-0.11%	(3.40)	0.00%	-	-0.11%	(3.40)
Arcil-2024C-005 -Trust	0.00%	(0.59)	-0.02%	(0.59)	0.00%	-	-0.02%	(0.59)
Arcil-2024C-006 -Trust	0.00%	(0.18)	-0.01%	(0.18)	0.00%	-	-0.01%	(0.18)
Associates (Investment as per Equity method)								
Arcil-AST-001-VII-Trust	0.00%	-	-0.01%	(0.37)	0.00%	-	-0.01%	(0.37)
Arcil-AST-003-IV-Trust	0.00%	-	-0.03%	(1.05)	0.00%	-	-0.03%	(1.05)
Arcil-SBPS-022-II Trust	0.00%	-	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Arcil-SBPS-022-III-Trust	0.00%	-	0.27%	8.58	0.00%	-	0.27%	8.58
Arcil-SBPS-022-IV Trust	0.00%	-	0.63%	19.70	0.00%	-	0.63%	19.70
Arcil-Retail Port-046-A-T	0.00%	-	0.19%	5.81	0.00%	-	0.19%	5.81
Arcil-CPS-002-V TrustScheme A	0.00%	-	0.00%	(0.08)	0.00%	-	0.00%	(0.08)
Arcil-Retail Loan Portfolio-022-A-Trust	0.00%	-	0.06%	1.73	0.00%	-	0.06%	1.73
Arcil-CPS-081-I-Trust	0.00%	-	-0.07%	(2.11)	0.00%	-	-0.07%	(2.11)
ARCIL-TRUST-2024-001	0.00%	-	-0.01%	(0.46)	0.00%	-	-0.01%	(0.46)
Total	**99.86%**	**24,231.22**	**118.60%**	**3,724.76**	**100.00%**	**(13.49)**	**118.68%**	**3,711.27**
Inter Company Elimination / Consolidation Adjustments	1.62%	394.12	-13.38%	(420.11)	0.00%		-13.43%	(420.11)
Net Total	**101.48%**	**24,625.33**	**105.22%**	**3,304.65**	**100.00%**	**(13)**	**105.25%**	**3,291.16**
Non Controlling Interest in all subsidiaries	-1.48%	(360.20)	-5.22%	(164.06)	0.00%	-	-5.25%	(164.06)

Grand Total	**100.00%**	**24,265.14**	**100.00%**	**3,140.58**	**100.00%**	**(13)**	**100.00%**	**3,127.10**

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Rs. In Millions

Name of Enterprise	Net assets i.e Total Assets Minus Total		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	%	Amount	%	Amount	%	Amount	%	Amount
Parent								
Arcil	99.80%	22,397.43	78.14%	2,391.24	100.00%	(5.01)	-6987.02%	2,386.23
Indian Subsidaries:								
Arcil-Daewoo Motors India Ltd Trust	-0.02%	(3.62)	0.62%	18.91	0.00%	-	-55.37%	18.91
Arcil-Precision Fastners Ltd-Trust	0.01%	1.14	0.02%	0.58	0.00%	-	-1.69%	0.58
Arcil-Parekh Platinum Ltd. Trust	0.00%	0.27	0.00%	0.05	0.00%	-	-0.14%	0.05
Arcil-Bellary Steels & Alloys Ltd.-II Trust	0.00%	(0.20)	0.00%	(0.02)	0.00%	-	0.06%	(0.02)
Arcil-Indo Deutch Metallo Trust	0.00%	(0.38)	-0.01%	(0.18)	0.00%	-	0.54%	(0.18)
Arcil-Hanuman Miner Oil Ltd. Trust	-0.02%	(3.72)	0.02%	0.70	0.00%	-	-2.05%	0.70
Arcil-Equipment Conductor & Cables Ltd. Trust	-0.03%	(6.26)	0.00%	(0.12)	0.00%	-	0.34%	(0.12)
Arcil-LSIL Trust	0.00%	1.12	0.00%	0.12	0.00%	-	-0.36%	0.12
Arcil-PSL II Trust	0.00%	0.01	1.02%	31.19	0.00%	-	-91.33%	31.19
Arcil-Polar Industries Limited Trust	0.01%	1.44	0.00%	(0.08)	0.00%	-	0.25%	(0.08)
Arcil-MVR-I Trust	0.00%	(0.69)	-0.01%	(0.36)	0.00%	-	1.06%	(0.36)
Arcil-Ispat Profiles Trust	-0.01%	(2.87)	0.14%	4.29	0.00%	-	-12.57%	4.29
Arcil-Nath Seeds Limited Trust	0.00%	(0.19)	0.00%	(0.01)	0.00%	-	0.04%	(0.01)
Arcil-JCT II Trust	-0.02%	(5.38)	0.00%	(0.14)	0.00%	-	0.41%	(0.14)
Arcil-Maridia Steel Limited-I Trust	0.01%	1.44	0.04%	1.36	0.00%	-	-3.97%	1.36
Arcil-Maridia Steel Limited-II Trust	0.00%	0.06	0.01%	0.23	0.00%	-	-0.67%	0.23
Arcil-Maridia Steel Limited-III Trust	0.00%	0.06	0.01%	0.25	0.00%	-	-0.72%	0.25
Arcil-MVR-II Trust	0.00%	(0.01)	0.00%	(0.02)	0.00%	-	0.06%	(0.02)
Arcil-NPPML Trust	0.00%	(0.39)	-0.01%	(0.16)	0.00%	-	0.47%	(0.16)
Arcil-PSL III Trust	0.00%	0.01	0.04%	1.37	0.00%	-	-4.03%	1.37
Arcil-PSL IV Trust	0.00%	(0.57)	0.00%	0.04	0.00%	-	-0.12%	0.04
Arcil-Kiran Overseas Exports Ltd. Trust	0.00%	(0.47)	0.00%	(0.06)	0.00%	-	0.17%	(0.06)
Arcil-Shalimar Wires Industries Limited-II Trust	0.03%	7.65	1.13%	34.58	0.00%	-	-101.26%	34.58
Arcil-MVR-III Trust	0.00%	(0.30)	0.00%	(0.06)	0.00%	-	0.17%	(0.06)
Arcil-Bentels Corporation Limited Trust	-0.01%	(2.01)	0.00%	(0.02)	0.00%	-	0.05%	(0.02)
Arcil-KOEL-I Trust	0.00%	0.05	0.12%	3.74	0.00%	-	-10.94%	3.74
Arcil-Mafatlal Engineering Industries Ltd Trust	-0.06%	(14.22)	0.00%	0.02	0.00%	-	-0.05%	0.02
Arcil-Maridia Steel Limited-IV Trust	0.00%	0.06	0.01%	0.23	0.00%	-	-0.67%	0.23
Arcil-JCT III Trust	0.00%	1.03	-0.01%	(0.34)	0.00%	-	0.99%	(0.34)
Arcil-Shalimar Wires Industries Limited-III Trust	0.03%	6.33	0.05%	1.58	0.00%	-	-4.63%	1.58
Arcil Mukerian Paper Ltd Trust	-0.03%	(6.54)	0.00%	0.02	0.00%	-	-0.05%	0.02
Arcil-Mukerian II Trust	-0.01%	(1.67)	0.00%	(0.01)	0.00%	-	0.04%	(0.01)
Arcil-KOEL-II Trust	0.00%	(0.06)	0.00%	(0.03)	0.00%	-	0.09%	(0.03)
Arcil-Jhagadia Copper Limited Trust	0.00%	(0.10)	0.00%	(0.04)	0.00%	-	0.10%	(0.04)
Arcil-Polar Industries Limited-II Trust	-0.01%	(1.92)	0.00%	(0.07)	0.00%	-	0.22%	(0.07)
Arcil-BPL Display Devices Limited-I Trust	-0.11%	(24.32)	-0.01%	(0.31)	0.00%	-	0.92%	(0.31)
Arcil - Excel Oils and Chemicals Pvt. Ltd. Trust	0.00%	0.22	0.00%	(0.02)	0.00%	-	0.06%	(0.02)
Arcil-International Sree Balaji Hotels Private Limite	0.00%	(0.85)	-0.02%	(0.68)	0.00%	-	1.98%	(0.68)
Arcil-Uday Estates Pvt. Ltd. Trust	-0.58%	(130.71)	-0.50%	(15.36)	0.00%	-	44.96%	(15.36)
Arcil-Rustagi Impex Private Limited Trust	0.00%	(0.17)	0.00%	(0.02)	0.00%	-	0.06%	(0.02)
Arcil-L. S. P. Agro Limited Trust	0.00%	(0.16)	0.00%	0.07	0.00%	-	-0.19%	0.07
Arcil-The Dhar Textile Mills Ltd. Trust	0.01%	1.32	0.66%	20.29	0.00%	-	-59.41%	20.29
Arcil-Jagat Edible Oil India Pvt. Ltd. Trust	0.00%	(0.16)	0.00%	(0.02)	0.00%	-	0.06%	(0.02)
Arcil-Vama Exports Ltd. Trust	-0.04%	(8.46)	-0.01%	(0.35)	0.00%	-	1.04%	(0.35)
Arcil-Golden Fries Ltd. Trust	0.00%	(0.79)	0.00%	(0.12)	0.00%	-	0.34%	(0.12)
Arcil-Esteem Estate Projects Pvt. Ltd. Trust	-0.01%	(2.89)	-0.02%	(0.50)	0.00%	-	1.47%	(0.50)
Arcil-AST-IV-Trust	0.00%	(0.92)	1.48%	45.39	0.00%	-	-132.91%	45.39
Arcil-AST-VII-Trust	0.00%	(0.17)	0.00%	(0.02)	0.00%	-	0.06%	(0.02)
Arcil-AST-039-I-Trust	0.11%	23.81	6.89%	210.99	0.00%	-	-617.80%	210.99
Arcil-AST-001-VI-Trust	0.00%	(0.18)	0.00%	(0.01)	0.00%	-	0.04%	(0.01)
Arcil-AST-003-I-Trust	0.17%	38.18	11.03%	337.44	0.00%	-	-988.04%	337.44
Arcil-AST-027-I-Trust	0.00%	(0.07)	1.58%	48.45	0.00%	-	-141.85%	48.45
Arcil-AST-017-I-Trust	0.00%	(0.07)	0.00%	(0.05)	0.00%	-	0.15%	(0.05)
Arcil-AST-017-IV-Trust	0.00%	(0.04)	0.00%	(0.02)	0.00%	-	0.06%	(0.02)
Arcil-AST-034-II-Trust	0.00%	(0.08)	0.00%	(0.02)	0.00%	-	0.06%	(0.02)
Arcil-AST-001-VIII-Trust	0.00%	(0.51)	4.46%	136.48	0.00%	-	-399.62%	136.48
Arcil-AST-003-V-Trust	0.00%	(0.14)	0.52%	15.99	0.00%	-	-46.81%	15.99
Arcil-AST-018-I-Trust	0.00%	0.01	0.09%	2.62	0.00%	-	-7.69%	2.62
Arcil-AST-001-IX-Trust	0.00%	(0.06)	0.16%	4.95	0.00%	-	-14.51%	4.95
Arcil-AST-001-X-Trust	-0.18%	(41.25)	-0.32%	(9.81)	0.00%	-	28.72%	(9.81)
Arcil-AST-034-III-Trust	0.00%	(0.47)	3.62%	110.74	0.00%	-	-324.26%	110.74

Date: May 29, 2024	-0.02%	(4.51)	-0.02%	(0.72)	0.00%	-	2.12%	(0.72)
Arcil-AST-051-I-Trust	0.00%	(0.09)	0.12%	3.64	0.00%	-	-10.67%	3.64
Arcil-AST-017-V-Trust	0.00%	(0.03)	0.07%	2.03	0.00%	-	-5.94%	2.03
Arcil-AST-041-I-Trust	0.00%	(0.11)	0.13%	3.86	0.00%	-	-11.31%	3.86
Arcil-AST-001-XII-Trust	0.00%	0.64	0.35%	10.79	0.00%	-	-31.59%	10.79
Arcil-AST-024-I-Trust	-0.01%	(1.26)	0.04%	1.13	0.00%	-	-3.32%	1.13
Arcil-AST-026-I-Trust	-0.01%	(2.49)	0.06%	1.73	0.00%	-	-5.05%	1.73
Arcil-AST-056-I-Trust	0.00%	0.63	0.02%	0.74	0.00%	-	-2.17%	0.74
Arcil-CPS-002-IX Trust	-0.65%	(145.65)	0.09%	2.75	0.00%	-	-8.07%	2.75
Arcil-CPS-012-II Trust	-0.05%	(10.59)	-0.01%	(0.44)	0.00%	-	1.29%	(0.44)
Arcil-CPS-012-I Trust	0.06%	13.68	4.14%	126.71	0.00%	-	-371.02%	126.71
Arcil-CPS-032-I-Trust	0.00%	(0.53)	0.00%	(0.06)	0.00%	-	0.18%	(0.06)
Arcil-CPS-031-I-Trust	-0.01%	(3.16)	-0.02%	(0.75)	0.00%	-	2.21%	(0.75)
Arcil-CPS-006-III-Trust	0.00%	0.73	0.04%	1.25	0.00%	-	-3.66%	1.25
Arcil-CPS-003-IV Trust	0.00%	(0.99)	0.00%	(0.09)	0.00%	-	0.27%	(0.09)
Arcil-CPS-003-V Trust	-0.01%	(2.08)	0.00%	(0.09)	0.00%	-	0.25%	(0.09)
Arcil-CPS-012-III-Trust	-0.01%	(1.55)	-0.01%	(0.25)	0.00%	-	0.74%	(0.25)
Arcil-CPS-041-I-Trust	-0.02%	(4.38)	-0.04%	(1.16)	0.00%	-	3.40%	(1.16)
Arcil-CPS-008-II-Trust	0.00%	(0.51)	2.10%	64.20	0.00%	-	-187.99%	64.20
Arcil-CPS-032-II-Trust	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Arcil-SBPS-001-I Trust	0.02%	5.31	0.00%	(0.03)	0.00%	-	0.08%	(0.03)
Arcil-SBPS-001-VI Trust	0.01%	2.99	0.00%	(0.07)	0.00%	-	0.20%	(0.07)
Arcil-SBPS-001-VIII Trust	-0.03%	(7.18)	0.00%	(0.07)	0.00%	-	0.19%	(0.07)
Arcil-SBPS-001-X Trust	-0.01%	(2.29)	0.00%	(0.01)	0.00%	-	0.03%	(0.01)
Arcil-SBPS 001-XII Trust	0.00%	0.33	0.21%	6.40	0.00%	-	-18.73%	6.40
Arcil-SBPS 021-II Trust	0.00%	(0.28)	0.00%	(0.03)	0.00%	-	0.08%	(0.03)
Arcil-SBPS 016-I Trust	0.00%	(1.09)	0.00%	(0.06)	0.00%	-	0.19%	(0.06)
Arcil-SBPS-025-I Trust	-0.02%	(4.45)	-0.03%	(1.04)	0.00%	-	3.04%	(1.04)
Arcil-SBPS-028-I-Trust	0.07%	14.75	0.04%	1.36	0.00%	-	-3.98%	1.36
Arcil-SBPS-027-I Trust	0.01%	1.19	0.15%	4.72	0.00%	-	-13.82%	4.72
Arcil-SBPS-026-II-Trust	0.00%	(0.08)	0.00%	0.10	0.00%	-	-0.28%	0.10
Arcil-SBPS-002-II-Trust	0.00%	(0.10)	-0.10%	(2.97)	0.00%	-	8.68%	(2.97)
Arcil-SBPS-008-I Trust	0.00%	(0.71)	4.22%	129.22	0.00%	-	-378.35%	129.22
Arcil-SBPS-042-I-Trust	0.00%	(0.64)	0.55%	16.95	0.00%	-	-49.64%	16.95
Arcil NHB Retail Loan Portfolio 001 Trust	-0.01%	(2.83)	0.00%	(0.03)	0.00%	-	0.10%	(0.03)
Arcil-Retail Loan Portfolio-002-A Trust	0.01%	3.34	0.00%	0.07	0.00%	-	-0.20%	0.07
Arcil-Retail Loan Portfolio-002-B Trust	0.00%	0.69	0.00%	0.09	0.00%	-	-0.27%	0.09
Arcil-Retail Loan Portfolio-003-A Trust	0.00%	0.13	0.00%	(0.06)	0.00%	-	0.18%	(0.06)
Arcil-Retail Loan Portfolio-029-A-Trust	0.00%	(0.17)	0.11%	3.27	0.00%	-	-9.58%	3.27
Arcil-Retail Loan Portfolio -036-A-Trust	0.01%	1.31	3.94%	120.67	0.00%	-	-353.32%	120.67
Arcil-Retail Port-044-A-T	0.00%	(0.30)	0.40%	12.18	0.00%	-	-35.65%	12.18
Arcil-Retail Port-048-A-Trust	-0.02%	(5.13)	0.27%	8.22	0.00%	-	-24.06%	8.22
Arcil-Retail Port-042-A-Trust	0.00%	(0.53)	1.06%	32.45	0.00%	-	-95.01%	32.45
Arcil-Retail Port-032-A-Trust	0.00%	(0.08)	0.04%	1.32	0.00%	-	-3.87%	1.32
Arcil-Retail Port-049-A-Trust	0.00%	(0.11)	0.57%	17.41	0.00%	-	-50.98%	17.41
Arcil-Retail Port-050-A-Trust	0.00%	(0.31)	0.00%	(0.06)	0.00%	-	0.17%	(0.06)
Arcil Retail Loan Portfolio-045-B-Trust	-0.07%	(15.63)	-0.10%	(2.93)	0.00%	-	8.57%	(2.93)
Arcil Retail Loan Portfolio-042-B-Trust	-0.04%	(7.99)	-0.03%	(0.80)	0.00%	-	2.34%	(0.80)
Arcil Retail Loan Portfolio-053-A-Trust	-0.03%	(6.93)	-0.05%	(1.62)	0.00%	-	4.73%	(1.62)
Arcil-Shalimar Wires Industries Limited-IV TrustSe	0.04%	8.42	0.07%	2.01	0.00%	-	-5.87%	2.01
Arcil-CPS 002-II TrustScheme B	0.00%	(0.41)	0.00%	(0.06)	0.00%	-	0.18%	(0.06)

Arcil-CPS-002-VII TrustScheme B	-0.01%	(2.94)	0.00%	(0.02)	0.00%	-	0.05%	(0.02)
Arcil-CPS-002-VII TrustScheme D	0.00%	(0.42)	0.00%	(0.01)	0.00%	-	0.03%	(0.01)
Arcil-CPS-002-I TrustScheme A4	0.00%	0.01	0.00%	0.00	0.00%	-	0.00%	0.00
Arcil-CPS-002-I TrustScheme A5	0.00%	(0.14)	0.00%	(0.02)	0.00%	-	0.05%	(0.02)
Arcil-CPS-002-I TrustScheme A6	0.00%	(0.64)	0.00%	(0.01)	0.00%	-	0.04%	(0.01)
Arcil-CPS-002-I TrustScheme B1	0.00%	0.09	0.00%	(0.01)	0.00%	-	0.04%	(0.01)
Arcil-CPS-002-I TrustScheme D	0.00%	0.26	0.02%	0.46	0.00%	-	-1.35%	0.46
Arcil-SBPS 001-IV TrustScheme A	0.14%	31.12	0.00%	(0.00)	0.00%	-	0.01%	(0.00)
Arcil-SBPS 001-IV TrustScheme B	0.00%	(0.95)	0.00%	(0.01)	0.00%	-	0.03%	(0.01)
Arcil-SBPS 001-III TrustScheme A	0.05%	10.83	0.00%	(0.03)	0.00%	-	0.09%	(0.03)
Arcil-SBPS 001-III TrustScheme B	0.00%	(0.13)	0.00%	(0.02)	0.00%	-	0.04%	(0.02)
Arcil-SBPS 001-V TrustScheme B	-0.03%	(6.12)	-0.02%	(0.50)	0.00%	-	1.45%	(0.50)
Arcil-SBPS 002-I TrustScheme A	0.01%	1.55	0.00%	0.07	0.00%	-	-0.20%	0.07
Arcil-SBPS 002-I TrustScheme B2	0.02%	4.45	0.07%	2.20	0.00%	-	-6.45%	2.20
Arcil-SBPS-007-II-TrustScheme C	-0.02%	(4.88)	0.00%	(0.03)	0.00%	-	0.10%	(0.03)
Arcil-SBPS-007-II-TrustScheme A1	0.00%	0.92	0.00%	(0.02)	0.00%	-	0.06%	(0.02)
Arcil-SBPS-007-II-TrustScheme A2	0.00%	(0.10)	0.00%	(0.02)	0.00%	-	0.05%	(0.02)
Arcil-SBPS-014-I-TrustScheme A	-0.01%	(2.58)	-0.01%	(0.17)	0.00%	-	0.48%	(0.17)
Arcil-SBPS-014-I-TrustScheme B	0.00%	(0.64)	0.00%	(0.02)	0.00%	-	0.05%	(0.02)
Arcil-SBPS 014-II TrustScheme A	0.03%	7.74	0.00%	(0.05)	0.00%	-	0.16%	(0.05)
Arcil-SBPS 014-II TrustScheme C	0.00%	(0.38)	0.00%	(0.02)	0.00%	-	0.05%	(0.02)
Arcil-SBPS 013-I TrustScheme B	0.05%	11.38	-0.01%	(0.20)	0.00%	-	0.59%	(0.20)
Arcil-SBPS 019-I TrustScheme B	0.00%	0.12	0.02%	0.76	0.00%	-	-2.22%	0.76
Arcil-SBPS 022-I TrustScheme A1	0.03%	7.75	0.10%	3.03	0.00%	-	-8.86%	3.03
Arcil-SBPS 021-I TrustScheme B	0.00%	0.07	0.77%	23.55	0.00%	-	-68.94%	23.55
Arcil-SBPS 021-I TrustScheme C	0.00%	(0.18)	0.00%	(0.01)	0.00%	-	0.02%	(0.01)
Arcil-AARF-II-Trust	-0.09%	(20.63)	2.84%	87.04	0.00%	-	-254.86%	87.04
ARCIL-AST-024-II-TRUST	-0.10%	(22.67)	-0.21%	(6.53)	0.00%	-	19.12%	(6.53)
Arcil-SBPS-060-I-Trust	-0.01%	(2.71)	-0.02%	(0.72)	0.00%	-	2.09%	(0.72)
Arcil-SBPS-041-I-Trust	-0.01%	(2.98)	1.03%	31.55	0.00%	-	-92.37%	31.55
Arcil-Retail Loan Portfolio-058-B-Trust	-0.08%	(17.66)	-0.08%	(2.33)	0.00%	-	6.81%	(2.33)
Arcil-Retail Loan Portfolio-060-A-Trust	-0.02%	(5.56)	-0.04%	(1.27)	0.00%	-	3.73%	(1.27)
Arcil-Retail Loan Portfolio-061-A-Trust	-0.02%	(3.43)	-0.03%	(0.88)	0.00%	-	2.57%	(0.88)
Arcil-Retail Loan Portfolio-058-C-Trust	-0.03%	(6.75)	-0.03%	(1.02)	0.00%	-	2.99%	(1.02)
Arcil-Retail Loan Portfolio-42-D-Trust	-0.02%	(4.08)	-0.04%	(1.28)	0.00%	-	3.74%	(1.28)
Arcil-Retail Loan Portfolio-042-E-Trust	-0.03%	(5.72)	-0.09%	(2.66)	0.00%	-	7.79%	(2.66)
Arcil- SBPS-006-VII Trust	-0.03%	(5.70)	-0.11%	(3.49)	0.00%	-	10.21%	(3.49)
Arcil-Retail Loan Portfolio-042-F-Trust	-0.03%	(7.43)	-0.21%	(6.48)	0.00%	-	18.99%	(6.48)
Arcil-Retail Loan Portfolio-042-I-Trust	-0.01%	(1.77)	-0.05%	(1.46)	0.00%	-	4.26%	(1.46)
Arcil-Retail Loan Portfolio-042-H-Trust	-0.02%	(4.79)	-0.12%	(3.55)	0.00%	-	10.39%	(3.55)
Arcil-Retail Loan Portfolio-042-G-Trust	-0.04%	(8.88)	-0.27%	(8.25)	0.00%	-	24.15%	(8.25)
Arcil-Retail Loan Portfolio-029-B-Trust	-0.01%	(2.08)	-0.06%	(1.94)	0.00%	-	5.69%	(1.94)
Arcil-Retail Loan Portfolio-074-A-Trust	-0.02%	(3.41)	-0.11%	(3.29)	0.00%	-	9.64%	(3.29)
Arcil-AST-082-I-Trust	0.00%	0.10	0.40%	12.24	0.00%	-	-35.83%	12.24
Arcil-AST-082-II-Trust	0.00%	0.11	0.84%	25.62	0.00%	-	-75.01%	25.62
Arcil-AST-001-XVIII-Trust	0.00%	(0.09)	0.00%	(0.09)	0.00%	-	0.28%	(0.09)
Arcil-CPS-II-Trust	-0.05%	(10.47)	-0.34%	(10.47)	0.00%	-	30.66%	(10.47)
Arcil-SBPS-I-Trust	-0.03%	(7.45)	-0.24%	(7.45)	0.00%	-	21.81%	(7.45)
Arcil-SBPS 073-I Trust	-0.02%	(3.91)	-0.13%	(3.91)	0.00%	-	11.46%	(3.91)
Arcil-Retail Loan Portfolio-074-B-Trust	-0.01%	(1.72)	-0.06%	(1.72)	0.00%	-	5.02%	(1.72)
Arcil-Retail Loan Portfolio-045-C-Trust	0.00%	(0.42)	-0.01%	(0.42)	0.00%	-	1.22%	(0.42)
Associates (Investment as per Equity method)								
Arcil-AST-001-VII-Trust	0.00%	-	-0.01%	(0.27)	0.00%	-	0.78%	(0.27)
Arcil-AST-003-IV-Trust	0.00%	-	-0.03%	(0.84)	0.00%	-	2.46%	(0.84)
Arcil-CPS-047-I-Trust	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Arcil-SBPS-022-II Trust	0.00%	-	0.19%	5.90	0.00%	-	-17.28%	5.90
Arcil-SBPS-022-III-Trust	0.00%	-	0.28%	8.70	0.00%	-	-25.48%	8.70
Arcil-SBPS-022-IV Trust	0.00%	-	0.00%	(0.07)	0.00%	-	0.21%	(0.07)
Arcil-Retail Port-046-A-T	0.00%	-	0.26%	7.94	0.00%	-	-23.24%	7.94
Arcil-CPS-002-V Trust	0.00%	-	0.03%	0.77	0.00%	-	-2.25%	0.77
Arcil-CPS-081-I-Trust	0.00%	-	0.00%	(0.15)	0.00%	-	0.44%	(0.15)
Arcil-Retail Loan Portfolio-022-A-Trust	0.00%	-	-0.04%	(1.26)	0.00%	-	3.68%	(1.26)
Total	**97.78%**	**21,942.71**	**133.77%**	**4,093.60**	**100.00%**	**(5.01)**	**133.83%**	**4,088.59**
Inter Company Elimination / Consolidation Adjustments	-1381.21%	616.32	-40.12%	(1,227.62)	0.00%		-40.18%	(1,227.62)
Net Total	**100.52%**	**22,559.03**	**93.66%**	**2,865.98**	**100.00%**	**(5.01)**	**93.65%**	**2,860.97**

Non Controlling Interest in all subsidiaries	263.25%	(117.47)	6.34%	194.14	0.00%	-	6.35%	194.14
Grand Total	**100.00%**	**22,441.56**	**100.00%**	**3,060.12**	**100.00%**	**(5.01)**	**100.00%**	**3,055.11**

OTHER FINANCIAL INFORMATION

In accordance with the SEBI ICDR Regulations, the Audited Standalone Financial Information and Audited Consolidated Financial Information of our Company are available on our website at ***https://www.arcil.co.in/about-us/corporate-governance.*** Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, its Subsidiaries or any entity in which it or its shareholders may have significant influence and should not be relied upon or used as a basis for any investment decision. Neither the Company or any of its advisors, nor any of the Book Running Lead Managers or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Standalone Financial Statements, or the opinions expressed therein.

The details of accounting ratios derived from Restated Consolidated Financial Information and other non-GAAP information required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Earnings per Equity Share of face value of ₹10 each (in ₹)[(1)]			
- Basic	10.14	10.17	8.82
- Diluted	10.14	10.17	8.82
Return on Net Worth (%)[(2)]	12.15%	14.15%	13.43%
Net Asset Value per Equity Share of face value of ₹10 each (in ₹)[(3)]	81.97	74.69	69.07
EBIDTA(in ₹ million) [(4)]	4,649.42	4,423.89	3,727.26
EBITDA Margin (%)	79.92%	73.02%	46.06%
Net Debt/Equity Ratio	0.01	(0.11)	(0.14)

Notes:

(1) Basic and Diluted EPS are computed in accordance with Indian Accounting Standard (Ind AS) 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended). Basic earnings per equity share is computed by dividing net profit after tax attributable to the equity shareholders for the period/year by the weighted average number of equity shares outstanding during the period/ year. Diluted earnings per equity share is computed and disclosed by dividing the net profit after tax attributable to the equity shareholders for the period/ year after giving impact of dilutive potential equity shares for the period/ year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the period/ year.

(2) RoNW is calculated as the profit for the financial year as a percentage of average net worth. Average Net Worth represents the simple average of networth as at the last day of each of the four quarters of financial year and as of the last day of the preceding year

(3) Net Asset Value Per Share is calculated as Net Worth as at the end of the relevant period/year divided by the aggregate of total number of equity shares and instruments entirely equity in nature outstanding at the end of such period/year

(4) EBITDA refers to sum of EBIT and depreciation and amortization expense.

The details of accounting ratios derived from Restated Standalone Financial Information and other non-GAAP information required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Earnings per Equity Share of face value of ₹10 each (in ₹)[(1)]			
- Basic	10.94	9.40	7.36
- Diluted	10.94	9.40	7.36
Return on Net Worth (%)[(2)]	13.59%	12.99%	11.19%
Net Asset Value per Equity Share of face value of ₹10 each (in ₹)[(3)]	85.19	75.79	68.94
EBIDTA(in ₹ million) [(4)]	4,907.21	4,151.34	3,252.52
EBITDA Margin (%)	82.28%	72.81%	43.29%
Net Debt/Equity Ratio	0.03	(0.10)	(0.12)

Notes:

(1) Basic and Diluted EPS are computed in accordance with Indian Accounting Standard (Ind AS) 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended). Basic earnings per equity share is computed by dividing net profit after tax attributable to the equity shareholders for the period/year by the weighted average number of equity shares outstanding during the period/ year. Diluted earnings per equity share i s computed and disclosed by dividing the net profit after tax attributable to the equity shareholders for the period/ year after giving impact of dilutive potential equity shares for the period/ year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the period/ year.

(2) RoNW is calculated as the profit for the financial year as a percentage of average net worth. Average Net Worth represents the simple average of networth as at the last day of each of the four quarters of financial year and as of the last day of the preceding year

(3) Net Asset Value Per Share is calculated as Net Worth as at the end of the relevant period/year divided by the aggregate of total number of equity shares and instruments entirely equity in nature outstanding at the end of such period/year.

(4) EBITDA refers to sum of EBIT and depreciation and amortization expense.

The non-GAAP measures presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with Ind AS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the year/period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS. In addition, these Non-GAAP Measures are not a standardized term, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us because they are widely used measures to evaluate a company's operating performance.

Reconciliation of restated profit for the year to EBITDA and EBITDA Margin for the year on a consolidated basis

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Restated profit for the year	**3,295.08**	**3,304.65**	**2,865.99**
Add: Tax Expense	1,219.19	1,038.54	823.88
Add: Finance Costs	113.31	61.38	15.98
Add: Depreciation and Amortization Expenses	21.53	19.32	21.41
EBITDA	4,649.12	4,423.89	3,727.26
Revenue from Operations	5,817.55	6,058.24	8,091.94
EBITDA Margin (%)	**79.92%**	**73.02%**	**46.06%**

Reconciliation of restated profit for the year to EBITDA and EBITDA Margin for the year on a standalone basis

(in ₹ million)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Restated profit for the year	**3,553.19**	**3,053.42**	**2,391.24**
Add: Tax Expense	1,219.19	1,038.54	823.88
Add: Finance Costs	113.31	40.06	15.98
Add: Depreciation and Amortization Expenses	21.53	19.32	21.41
EBITDA	4,907.21	4,151.34	3,252.52
Less: Other Income	269.76	39.65	23.97
Revenue from Operations	5,964.23	5,701.41	7,513.14
EBITDA Margin (%)	**82.28%**	**72.81%**	**43.29%**

Reconciliation of net worth and return on net worth on a consolidated basis

(in ₹ million)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Equity Share Capital (I) (includes Instruments entirely equity in nature)	3,248.97	3,248.97	3,248.97
Other Equity (II)	30,931.13	27,512.42	24,867.31
Non-Controlling Interests (III)	(7,548.69)	(6,496.25)	(5,674.72)
Net Worth (IV) = (I + II + III)	26,631.41	24,265.14	22,441.56
Average Net Worth (V)*	25,448.27	23,353.35	21,337.71
Restated profit for the year (VI)	3,295.08	3,304.65	2,865.99
Return on net worth (VII) = (VI/V) (%)	12.95%	14.15%	13.43%

* *Average of opening and closing net worth of the year / period. 'Net worth': Equity share capital and other equity (including Non- Controlling Interest)*

Reconciliation of net worth and return on net worth on a standalone basis

(in ₹ million)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Equity Share Capital (I) (includes Instruments entirely equity in nature)	3,248.97	3,248.97	3,248.97
Other Equity (II)	24,429.01	21,376.14	19,148.46
Net Worth (III) = (I + II)**	27,677.98	24,625.11	22,397.43
Average Net Worth (IV)*	26,151.55	23,511.27	21,366.77
Restated profit for the year (V)	3,553.19	3,053.41	2,391.24
Return on net worth (VI) = (V/IV) (%)	13.59%	12.99%	11.19%

* *Average of opening and closing net worth of the year / period.*

** *Net worth means the aggregate value of the paid - up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write - back of depreciation and amalgamation. Net worth is calculated as equity share capital plus Instrument entirely equity in nature plus other equity.*

Reconciliation of Net Asset Value on a consolidated basis (per Equity Share)

(in ₹ million, except share data)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Equity Share Capital (I) (includes Instruments entirely equity in nature)	3,248.97	3,248.97	3,248.97
Other Equity (II)	30,931.13	27,512.42	24,867.31
Non-Controlling Interests (III)	(7,548.69)	(6,496.25)	(5,674.72)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Total equity (IV) = (I + II + III)	26,631.41	24,265.14	22,441.56
Number of equity shares outstanding (V)	324,897,140	324,897,140	324,897,140
Net asset value per equity share (VI) = (IV / V) (₹ per Equity Share)	81.97	74.69	69.07

Reconciliation of Net Asset Value on a standalone basis (per Equity Share)

(in ₹ million, except share data)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Equity Share Capital (I) (includes Instruments entirely equity in nature)	3,248.97	3,248.97	3,248.97
Other Equity (II)	24,429.01	21,376.14	19,148.46
Total equity (III) = (I + II)	27,677.98	24,625.11	22,397.44
Number of equity shares outstanding (IV)	324897140	324897140	324897140
Net asset value per equity share (V) = (III / IV) (₹ per Equity Share)	85.19	75.79	68.94

Reconciliation of net debt - equity ratio on a consolidated basis

(in ₹ million)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Non-current borrowing (I)	1,000.00	500.00	-
Current Borrowing (II)	2,059.86	999.47	1,180.13
Total Borrowing (III) = (I + II)	3,059.86	1,499.47	1,180.13
Cash and Cash Equivalents (IV)	2,805.04	4,133.54	4,371.89
Net Debt (V) = (III - IV)	254.82	(2,634.06)	(3,191.76)
Equity Share Capital (VI) (includes Instruments entirely equity in nature)	3,248.97	3,248.97	3,248.97
Other Equity (VII)	30,931.13	27,512.42	24,867.31
Non-Controlling Interests (VIII)	(7,548.69)	(6,496.25)	(5,674.72)
Total Equity (IX) = (VI + VII + VIII)	26,631.41	24,265.14	22,441.56
Net Debt - Equity Ratio (in times) (X) = (V / IX)	0.01	(0.11)	(0.14)

Reconciliation of net debt - equity ratio on a standalone basis

(in ₹ million)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Non-current borrowing (I)	1,000.00	500.00	-
Current Borrowing (II)	2,059.86	999.47	1,180.13
Total Borrowing (III) = (I + II)	3,059.86	1,499.47	1,180.13
Cash and Cash Equivalents (IV)	2,341.59	3,865.73	3,933.43
Net Debt (V) = (III - IV)	718.27	(2,366.26)	(2,753.30)
Equity Share Capital (VI) (includes Instruments entirely equity in nature)	3,248.97	3,248.97	3,248.97
Other Equity (VII)	24,429.01	21,376.14	19,148.46
Non-Controlling Interests (VIII)	-	-	-
Total Equity (IX) = (VI + VII + VIII)	27,677.98	24,625.11	22,397.44
Net Debt - Equity Ratio (in times) (X) = (V / IX)	0.03	(0.10)	(0.12)

See "Risk Factors - Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition." on page 65.

Related Party Transactions

For details of the related party transactions in accordance with Ind AS 24, see *"Restated Financial Information – Restated Consolidated Financial Information - Note 44 – Related Party Transactions"* on page 338.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at March 31, 2025, as derived from our Restated Consolidated Financial Information. This table should be read in conjunction with the sections titled "*Risk Factors*", "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 40, 248 and 372, respectively.

(in ₹ million)

Particulars	Pre-Offer (as at March 31, 2025)	As adjusted for the proposed Offer#
Borrowings		Refer to note (i) below
Non-current liabilities/ borrowings (including current maturities)*	1,000.00	
Current Liabilities - Borrowings*	2,059.86	
Total Borrowings (A)	**3,059.86**	
Equity		
Equity share capital*	3,248.97	
Other equity*	23,382.44	
Total Equity (B)	**26,631.41**	
Total Borrowings / Total Equity (A/B)	0.11	
Non-current Liabilities – Borrowings / Total Equity	0.04	
Current Liabilities – Borrowings / Total Equity	0.07	

As certified by J. Kala & Associates, Chartered Accountant, (FRN: 118769W) by way of their certificate dated August 1, 2025.

* *These terms shall carry the meaning as per Schedule III of the Companies Act, 2013 (as amended).*

Notes:

(i) The corresponding post Offer capitalization data for each of the amounts given in the above table is not determinable at this stage pending completion of the book building process and therefore has not been provided in the above statement.

FINANCIAL INDEBTEDNESS

Our Company has availed credit facilities in the ordinary course of business. For details regarding the borrowing powers of our Board, see "*Our Management - Borrowing Powers of our Board*" on page 216.

Set forth below is a brief summary of the aggregate borrowings by our Company, on a consolidated basis as on March 31, 2025:

Nature of borrowings	Sanctioned amount as on March 31, 2025 (in ₹ million)#	Outstanding amount as on March 31, 2025 (in ₹ million)#*
Secured borrowings		
Working capital facilities		
– Fund based	5,700.00	2,059.86*
– Non-fund based**	1,720.00***	20.00
Term loans	2,500.00	1,000.00
Total secured borrowings (A)	**8,200.00**	**3,079.86**
Unsecured borrowings (B)	**Nil**	**Nil**
Total (A + B)	**8,200.00**	**3,079.86**

\# *As certified by J. Kala & Associates, Chartered Accountant, (FRN: 118769W) by way of their certificate dated August 1, 2025.*
* *Includes ₹ 0.56 million interest accrued but not due*
** *Non-fund facilities sanctioned are from within the limits sanctioned for the fund-based facilities except for ₹ 20.00 million as mentioned below taken against fixed deposit*
*** *Includes ₹ 20.00 million taken against fixed deposits*

For further details in relation to our indebtedness, see *"Restated Financial Information – Restated Consolidated Financial Information - Note 15"* on page 325.

Principal terms of the facilities sanctioned to our Company:

1. ***Interest:*** The interest payable on the borrowings availed ranges from 8.40% to 10 % per annum.

2. ***Tenor:*** The tenor of the facilities varies from 12 months to 60 months. The term loans are repayable in installments between one to five years from the date of sanction.

3. ***Security:*** All the borrowings (working capital and term loans) are secured against Company investment in SRs.

4. ***Pre-payment:*** Certain facilities allow for pre-payment of the outstanding amount by serving prior notice to the lender. Pre-payment may be subject to pre-payment penalties as may be prescribed. The prepayment premium ranges between 0%-2%

5. ***Penal Interest:*** The terms of certain facilities availed by our Company prescribe penalties for default in the repayment obligations of the Company, delay in creation of the stipulated security or in case of events of default. The penalty typically ranges from 1.00 % to 2.00 % per annum.

6. ***Re-payment:*** Our Company has to repay all amounts of the facilities on the due dates for payment. Certain of our loans are repayable on demand.

7. ***Events of Default:*** Borrowing arrangements entered into by our Company contain standard events of default, including, *inter alia*: material adverse change in the ownership/ control or management of our Company without prior approval of the lender;

   a) failure to pay outstanding principal and interest amounts on due dates;

   b) winding up, insolvency/ bankruptcy or dissolution;

   c) commencement of or existence of any legal proceedings/ investigations that may have a material adverse change/ effect;

   d) failure to procure or maintain insurance on our assets; and

   e) cessation or change in business.

   This is an indicative list and there may be additional terms that may amount to an event of default under the borrowing arrangements entered into by our Company.

8. ***Consequences of occurrence of events of default:*** In terms of our borrowing arrangements, the following, *inter alia*, are the consequences of occurrence of events of default, whereby the lenders may:

a) convert the outstanding amount into fully paid-up Equity Shares of our Company, in their sole and absolute discretion;

b) demand that all or any part of the amount due together with accrued interest and all other amounts accrued in relation to the facility be paid immediately; and

c) further access by our Company to the facility may be suspended or terminated at the lender's sole discretion.

This is an indicative list and there may be additional terms that may require the consent of the relevant lender, the breach of which may amount to an event of default under various borrowing arrangements entered into by our Company, and the same may lead to consequences other than those stated above.

9. ***Restrictive Covenants:*** The facilities sanctioned to our Company contain certain restrictive covenants, which require prior written consent of the lender or prior intimation to be made to the lender, including:

a) adverse changes in capital structure;

b) undertaking any new project, scheme of expansion or diversification or capital expenditure;

c) change in our constitution, structure, constitutional documents, members, composition of our Board, management control and legal and/or beneficial ownership;

d) change in the shareholding pattern; and

e) approaching the capital market for mobilizing additional resources

This is an indicative list and there may be such other additional terms under the borrowing arrangements entered into by our Company. We are also required to keep our lenders informed of any event likely to have a substantial effect on our business.

For the purposes of the Offer, our Company has obtained the necessary consents from our lenders as required under the relevant borrowing arrangements for undertaking activities relating to the Offer, such as, *inter alia,* effecting changes to our capital structure. For further details, see "*Risk Factors – We have incurred indebtedness and an inability to obtain further financing or to comply with repayment and other covenants in our financing agreements could adversely affect our business, results of operations, financial condition and cash flows*" on page 54.

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 in conjunction with our Restated Financial Information on page 248, which includes our Restated Standalone Financial Information and our Restated Consolidated Financial Information for Fiscals 2025, 2024 and 2023.

This Draft Red Herring Prospectus may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Draft Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 38. Also see "Risk Factors" and "– Significant Factors Affecting our Results of Operations and Financial Condition" on pages 40 and 372, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.

Our financial year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular financial year are to the 12 months ended March 31 of that year. Unless otherwise indicated, or the context otherwise requires, the financial information included herein is based on our Restated Financial Information included in this Draft Red Herring Prospectus. Unless otherwise stated or the context otherwise requires, references in this section to "we", "us", or "our" are to Asset Reconstruction Company (India) Limited on a consolidated basis, while "our Company" or "the Company" are to Asset Reconstruction Company (India) Limited on a standalone basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Analysis of Asset Reconstruction Industry in India" dated July, 2025 (the "**CRISIL Report**") prepared and issued by CRISIL Limited, appointed by us pursuant to an engagement letter dated March 11, 2025 and exclusively commissioned and paid for by us to enable investors to understand the industry in which we operate in connection with the Offer. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular Calendar Year/ Fiscal refers to such information for the relevant calendar year/ Fiscal. A copy of the CRISIL Report shall be available on the website of our Company from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date. For further information, see "Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the industry report titled "Analysis of Asset Reconstruction Industry in India" which is a paid report and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 61. Further, while we operate across three business verticals of Corporate loans, SME and Other loans and Retail loans, we classify the stressed assets that we acquire based on the resolution mechanism we employ which are subject to our internal assessments. However, the CRISIL Report classifies the industry into Corporate/ Large borrower, MSME and Retail loans on the basis of classification done by the RBI. Also see, "Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data –Industry and Market Data" on page 36.*

OVERVIEW

For details regarding the overview of our Business, see "*Our Business – Overview*" on page 165.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations and financial condition are affected by a number of important factors including:

Our ability to acquire stressed assets at appropriate prices

Our results of operations are affected by our ability to source stressed assets and acquire them at appropriate prices; the overall supply of stressed assets in the market; and the size of our portfolio. However, our ability to acquire stressed assets at appropriate prices has been a key driver of our results of operations and we expect this trend to continue in the future. While acquiring stressed assets, we undertake extensive diligence and detailed valuation and business analysis in order to determine the appropriate purchase price and consider several factors including the value of the underlying collateral, profile and background of the borrowers, realizable future cash flows from underlying business operations and industry of the borrower. We also evaluate the potential resolution strategy that we would implement to maximize the potential of recovery and the potential time involved in pursuing the relevant resolution mechanism under the IBC, SARFAESI Act or the DRT, as applicable. For acquiring retail stressed assets, we also use our technology platform and data analytics tools to enhance both acquisition pricing and collection efficiency.

We acquire single-credit and portfolios of stressed assets from regulated financial institutions through a competitive bidding process and in certain cases through bilateral negotiations, in compliance with applicable regulations. We have established strong relationships with banks and financial institutions which helps us in acquiring stressed assets. Since our inception, we have worked with 30 private sector banks (including two erstwhile banks which have since been merged and nine foreign banks), two co-operative banks, 28 public sector banks (including 16 erstwhile public sector banks which have since been merged), 41 non-banking financial companies (including one erstwhile non-banking financial company which has since been merged), 17 housing finance companies (including one erstwhile housing finance company which has since been merged) and seven other selling institutions (four insurance companies and three financial institutions). As of March 31, 2025, we had acquired ₹ 726,573.07 million in total principal debt at a cost of ₹ 381,556.32 million or 52.51% of the total principal debt and had made recoveries of ₹ 284,597.72 million. Further, during Fiscals 2025, 2024 and 2023, we acquired ₹ 39,758.71 million, ₹ 20,689.82 million and ₹ 42,889.62 million of stressed assets, respectively, and our AUM was ₹ 168,525.70 million as of March 31, 2025, ₹ 152,300.31 million as of March 31, 2024 and ₹ 162,234.83 million as of March 31, 2023.

Our ability to collect outstanding amounts

The effective collection of outstanding amounts on the stressed assets we acquire is crucial to our results of operations. We have established a robust collections framework and specialized collection teams for each of our three business verticals. Our collections for Corporate and SME and Other loans are manged by our in-house teams where our dealing officers and in-house legal officers engage with borrowers to recover dues through restructuring negotiations or enforcement actions. We utilize a digital collections platform with customer relationship management and loan collection workflow tools for tracking and enhancing borrower communication, borrower segmentation, payment prioritization schedules and also legal actions. We use data analytics and scorecards prioritization model to segment and prioritize accounts based on the risk and potential for recovery to improve our collections efficiency. We work with collection agencies, selling institutions, fintech platforms and local recovery agents who specialize in tracing defaulters, negotiating settlements, and ensuring timely repayments. As of March 31, 2025, we worked with 201 registered valuers, 163 collection agents and had over 950 lawyers empanelled with us. As a result of our collections framework and efforts within our resolution framework, we were able to increase the amounts we collected during the last three Fiscals from ₹ 27,167.57 million in Fiscal 2023 to ₹ 36,781.46 million in Fiscal 2024 and ₹ 38,826.55 million in Fiscal 2025.

General economic condition in India

Our results of operations are affected by the general economic conditions prevalent in India. Overall economic growth is affected by several factors including general levels of GDP growth and growth in personal income in India; political measures or developments, such as tax incentives and general political stability; fiscal and monetary dynamics, such as volatility in interest rates, foreign exchange rates and inflation rates; and regulatory developments. An increase in GDP is likely to result in an increase in incomes and the ability of borrowers to repay outstanding amounts. Conversely, a slowdown in the Indian economy could adversely affect the ability of borrowers to make repayments, especially if such a slowdown were to be continued and prolonged. An economic upturn helps us in improved recoveries against our AUM, while an economic downturn generates higher stressed assets in the financial sector which we can acquire to resolve. Several factors beyond our control, such as developments in the Indian economy, employment levels, conditions in the world economy, pandemics such as COVID-19, fluctuations in interest rates, movements in global commodity markets and exchange rates could have either a positive or an adverse impact on the quality of our portfolio.

Government policy and regulations

Our results of operations and continued growth depend on stable government policies and regulations. We are required to comply with various laws, statutory and regulatory requirements including the SARFAESI Act, the IBC, the Recovery of Debts and Bankruptcy Act, 1993 and the RBI Master Directions pursuant to which we have to comply with certain conditions including (i) having a minimum net owned fund of ₹ 3,000.00 million on an ongoing basis by March 31, 2026; (ii) classification of assets in accordance with the manner prescribed under the RBI Master Directions; and (iii) provisioning as per different asset categories prescribed under the RBI Master Directions. In accordance with RBI guidelines, security receipts that are held by us and not redeemed within a timeframe of eight years are required to be treated as loss assets and written-off in the books of investors and the asset reconstruction company. However, the resolution of such stressed assets continues until the entire recovery proceeds are received, which results in a positive impact on our results of operations and cash flows. Hence, our AUM is bifurcated into more than eight years and less than eight years as indicated below:

(₹ million)

Particulars	As of March 31, 2025	As of March 31, 2024	As of March 31, 2023
AUM	168,525.70	152,300.31	162,243.83
Security receipts held for less than eight years	96,605.85	79,309.45	87,243.25
Security receipts held for more than eight years	71,919.85	72,990.86	74,991.58

The following table sets forth details of the ageing of our AUM, as of March 31, 2025:

Particulars	AUM (₹ in million)	Our share in the AUM (₹ in million)	% of our share in the AUM
Up to 1 year	37,462.37	11,549.31	30.83%
More than 1 year and up to 3 years	33,246.47	7,554.28	22.72%

Particulars	AUM (₹ in million)	Our share in the AUM (₹ in million)	% of our share in the AUM
More than 3 years and up to 5 years	17,643.86	3,660.37	20.75%
More than 5 years and up to 8 years	8,253.15	2,684.36	32.53%
Over 8 years	71,919.85	7,534.69	10.48%

Further, the RBI Master Directions requires our Company to maintain, on an ongoing basis, a capital adequacy ratio of minimum 15% of our total risk weighted assets. The regulations applicable to us also address issues such as our conduct with borrowers and recovery practices, market conduct and foreign investment. Any significant change by the Government or the RBI in their various policy initiatives for the asset reconstruction industry may affect our results of operations. For further details, see "*Risk Factors - We may have to comply with stricter regulations and guidelines issued by regulatory authorities in India, including the RBI, which may increase our compliance costs, divert the attention of our management and subject us to penalties.*" on page 47.

Competition

We operate in a highly competitive industry and our competitors may have more resources than us, access to cheaper funding and stronger relationships with banks and financial institutions. In July 2021, a government asset reconstruction company was incorporated with majority stake held by public sector banks in India, with the objective of cleaning up legacy stressed assets with an exposure of ₹ 5,000 million and above in the Indian banking system. This initiative could lead to increased competition in the asset reconstruction sector, potentially affecting our ability to acquire stressed assets at appropriate prices. Furthermore, the SRs issued by this government asset reconstruction company are backed by the Government of India, which may make it a preferred choice for banks and financial institutions over other ARCs in India. (*Source: CRISIL Report*) While this government asset reconstruction company mainly acquires and resolves stressed corporate assets above ₹ 5,000 million, increased levels of competition could reduce the volume of stressed assets available for us to acquire and affect our results of operations.

SUMMARY OF MATERIAL ACCOUNTING POLICIES (RESTATED CONSOLIDATED FINANCIAL INFORMATION)

Basis of Preparation and Presentation

The Restated Consolidated Financial Information of our Company together with its trusts (the subsidiaries and the associates) comprises the restated statement of assets and liabilities as on March 31, 2025, March 31, 2024 and March 31, 2023, the restated statement of profit and loss (including other comprehensive income), restated statement of changes in equity and restated statement of cashflows for the year ended March 31, 2025, March 31, 2024 and March 31, 2023 and the summary of material accounting policy and explanatory information. The Restated Consolidated Financial Information has been prepared by our Company in terms of requirement of sub-section (1) of section 26 of Part I of Chapter III of the Companies Act, 2013, and rules made thereunder as amended; the SEBI ICDR Regulations; and the Guidance Note on reports in company prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India. The Restated Consolidated Financial Information is prepared by our management for the purpose of inclusion in this Draft Red Herring Prospectus in connection with the Offer.

The Restated Consolidated Financial Information has been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the Restated Financial Information. The Restated Consolidated Financial Information have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards, notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, and other accounting principles generally accepted in India.

Historical cost is generally based on actual consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, we take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on this basis.

Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that our Company can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

Basis of Consolidation

The Restated Consolidated Financial Information comprise the financial statements of our Company and the entities controlled by our Company, our Subsidiaries, and our associates. Control is achieved when we:

- have power over the investee (i.e. existing rights that give us the current ability to direct the relevant activities of the investee),

- are exposed or has rights, to variable returns from its involvement with the investee, and

- have the ability to use our power over the investee to affect its returns.

We reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date we obtain control until the date we cease to control the subsidiary.

Profit or loss and each component of other comprehensive income ("**OCI**") are attributed to the owners of our Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with our accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of our Company.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of our Company are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If we lose control over a subsidiary, we:

- derecognise the assets (including goodwill) and liabilities of the subsidiary;

- derecognise the carrying amount of any non-controlling interests;

- derecognise the cumulative translation differences recorded in equity;

- recognise the fair value of the consideration received;

- recognise any surplus or deficit in profit or loss; and

- reclassify the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if we had directly disposed off the related assets or liabilities.

The associate is an entity over which we have significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the acquisition date. Our investment in associates includes goodwill identified on acquisition.

Application of New and Revised Ind AS

Standard Issued and Effective:

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised for issue have been considered in preparing these financial statements.

Investment in Associates

An associate is an entity over which we have significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise our share of the profit or loss and other comprehensive income of the associate. Distributions received from an associate reduce the carrying amount of the investment. When our share of losses of an associate exceeds our interest in that associate (which includes any long-term interests that, in substance, form part of our net investment in the associate), we discontinue recognising our share of further losses. Additional losses are recognised only to the extent that we have incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over our share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of our share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, we determine whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to our investment in an associate.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

We discontinue the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When we retain an interest in the former associate and the retained interest is a financial asset, we measure the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, we account for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, we reclassify the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

Key accounting judgements and key sources of estimation uncertainty

In the application of our accounting policies, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Fair Value Measurement of Security Receipts

Investments in SRs are measured at latest declared Net Asset Value ("**NAV**") which is based on recovery ratings bands as determined by the independent rating agencies.

Defined Benefit Obligations

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Useful Lives of Property, Plant and Equipment

We review the useful life of assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Intangible Assets

We review the useful life of intangible assets at the end of each reporting period. This reassessment may result in change in amortisation expense in future periods.

Expected Credit Loss

ECL on trade receivables (including management fees receivable from SR holders) and contract asset (including funded expenses and funded interest) is based on simplified method of ECL computation as permitted under Ind AS 109.

On a prudential basis, an ECL at the rate of 0.40% is being made on outstanding NCDs.

For loans and priority debt funding, ECL is provided for on individual assessment basis.

Provisions and Contingent Liabilities

A provision is recognized when we have a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Revenue Recognition

Management / Trusteeship and Other Related Fees:

Management / Trusteeship and other related fees are recognised when we satisfy the performance obligation at fair value of the consideration received or receivable. We recognise such revenue from contracts with customers based on a five step model as set out in Ind AS 115:

- Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3: Determine the transaction price: The transaction price is the amount of consideration to which we expect to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, we allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which we expect to be entitled in exchange for satisfying each performance obligation.
- Step 5: Recognise revenue when (or as) we satisfy a performance obligation Revenue is measured at the amount transaction price (net of variable consideration) allocated to that Performance obligation.

Management fee in excess of billing is recognized as unbilled management fee in our financial statements.

Accrual of management fees is based on commercial arrangement with trusts where management fees is accrued and charged as a percentage on the lower band of NAV specified by the credit rating agency or declared NAV whichever is lower. The accrual of management fee is discontinued once the NAV rating is withdrawn/ discontinued.

Dividend Income:

Dividend income is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to our Company and the amount of income can be measured reliably).

Interest Income:

Interest income from interest bearing financial asset is recognised when it is probable that the economic benefits will flow to our Company and the amount of income can be measured reliably. Interest income is recognised/ estimated using the effective interest rate method. The effective interest rate which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. However, recognition of interest on receivables from trusts is discontinued when NAV of SRs of the trust becomes nil. The unrecognised interest is recognised on realisation.

Net Income from Financial Instruments at FVTPL

Net income from financial instruments at FVTPL includes all realized and unrealized fair value changes and recognized in the statement of profit and loss.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

Employee Benefits

Retirement Benefit Costs and Termination Benefits

Defined contribution plans - Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans - For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest income), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement.

We present the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs and the gains / loss arising on remeasurement are presented in other comprehensive income.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Short-term and Other Long-Term Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by our Company in respect of services provided by employees up to the reporting date.

Contributions From Employees or Third Parties to Defined Benefit Plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).

- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, we reduce service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, we reduce service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

Taxation

Income tax expense represents the sum of the current tax and deferred tax.

Current Tax

The current tax payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Our current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deferred tax asset will be utilised.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which we expect, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

Minimum Alternate Tax ("**MAT**") paid in accordance with the tax laws, is considered as deferred tax in the Balance Sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with it will be realized.

Current and Deferred Tax for the Year

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

Property, plant and equipment ("PPE")

The cost of an item of property, plant and equipment is recognised if it is probable that future economic benefits associated with the item will flow to our Company and the cost thereof can be measured reliably. All property, plant and equipment are initially recognised at cost. Cost comprises the purchase price and any directly attributable cost to bring the asset to its working condition for its intended use.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets purchased during the year are depreciated on the basis of actual number of days the asset has been put to use in the year. Assets individually costing ₹ 5,000 or less are fully depreciated in the year of purchase.

Estimated useful life of assets is as below:

Category of PPE	Estimated Useful life
Office Building	60 years or over the lease period whichever is lower
Leasehold improvements	60 years or over the lease period whichever is lower
Furniture and Fixtures	6.67 years
Office Equipment	5 years
Computers	3 years
Vehicles	5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or sale of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible Assets

Intangible Assets Acquired Separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Estimated useful life of software is 4 years.

Derecognition of Intangible Assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the statement of profit and loss when the asset is derecognised.

Investment in Subsidiary and Associates

Trusts are special purpose vehicles formed under SARFAESI and RBI guidelines which are managed by our Company in our capacity as a trustee.

Control is defined to mean where an entity has power over the investee, existing rights that give it the current ability to direct the relevant activities and it also has exposure to variable returns from the trusts.

For trusts where our outstanding investment in security receipts are more than 25%, have been considered as subsidiaries. For trusts where our outstanding investment in SRs are between 20% to 25%, have been considered as associates.

Investment in subsidiaries and associates are measured in accordance with Ind AS 109 in the standalone financial statements.

Provisions, Contingent Liabilities and Contingent Assets

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A contingent liability is disclosed unless the possibility of an outflow of resources embodying the economic benefits is remote. Contingent assets are not recognized in the financial statements.

Financial Instruments

Financial assets and financial liabilities are recognised when we become a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of Financial Assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in OCI for designated FVTOCI debt instruments. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other debt instruments are subsequently measured at fair value through profit and loss. The financial assets contains management fees and expenses recoverable from trusts.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a debt instrument which are at amortised cost and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the “Other income” line item.

Investments in Equity Instruments at FVTOCI

On initial recognition, we can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the ‘Reserve for equity instruments through other comprehensive income’. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

*Equity Investments at Fair Value through Profit or Loss ("**FVTPL**")*

Investments in equity instruments are classified as at FVTPL, unless we irrevocably elect on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

Dividends on investments in equity instruments are recognised as 'other income' when our right to receive the dividends is established.

Investment in Security Receipts at Fair Value through Profit or Loss

Investments in security receipts are classified as at FVTPL. Investment in Security receipts at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. In respect of security receipts, the last declared NAV is considered as fair value. For cases which fall under planning period as defined by the RBI guidelines for SC/RC, cost of security receipts are considered as fair value which is normally the transaction cost. The initial rating is assigned within six months from the date of acquisition of assets. Thereafter, ratings are reviewed at half yearly intervals i.e as on June 30 and December 31 every year. However, the NAV has been reviewed on a continuous basis so that any material change in valuation of SRs is recognized immediately. The SC/RC are required to declare NAV within two months from the date of half yearly review i.e., by August 31 which is used for September and December reporting and February 28 which is used for March and June reporting.

Security Receipts and Acquired Financial Asset at Fair Value through Profit or Loss

Security receipts ("**SRs**") and acquired financial assets are classified as at FVTPL. They are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in Revenue account. In respect of Security Receipts, the last declared NAV is considered as fair value. For cases which fall under planning period as defined by the RBI guidelines for SC/RC, cost of security receipts are considered as fair value. The initial rating is assigned within six months from the date of acquisition of assets. Thereafter, ratings are reviewed at half yearly intervals i.e as on June 30 and December 31 every year. However, the NAV has been reviewed on a continuous basis so that any material change in valuation of SRs is recognized immediately. The SC/RC are required to declare NAV within two months from the date of half yearly review i.e. by August 31 which is used for September and December reporting and February 28 which is used for March and June reporting.

Impairment of Financial Assets

We apply the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI and other contractual rights to receive cash or other financial assets.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to our Company in accordance with the contract and all the cash flows that we expect to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). We estimate cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

ECL on trade receivables (including Management fees receivable from SR holders) and Contract Asset (including funded expenses and funded interest) is based on simplified method of ECL computation as permitted under Ind AS 109.

On a prudential basis, an ECL at the rate of 0.40% is being made on outstanding NCDs.

For Loans and priority debt funding, ECL is provided for on individual assessment basis.

Derecognition of Financial Assets

We derecognise a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss, other than on sale of equity instruments designated at FVTOCI.

Write Off

Security Receipts

Outstanding investments in security receipts are written off if there is no realistic prospect of recovery from such trusts on expiry of maximum resolution period or on closure of the concerned trust; whichever is earlier. Any subsequent recoveries made are recognised in profit or loss.

Management Fees and Other Recoverable from Trust

Management fees and other recoverable from trust are written off if there is no realistic prospect of recovery from such trusts on expiry of maximum resolution period or on closure of the concerned trust; whichever is earlier. Any subsequent recoveries made are recognised in the statement of profit and loss.

Loans

Loan and debt securities will be written off when they remain overdue continuously for a period more than 3 years and there is no reasonable expectation of recovery from such financial assets. Any subsequent recoveries towards the same will be credited in the statement of profit and loss.

Financial Liabilities and Equity Instruments

Classification as Debt or Equity

Debt and equity instruments issued by our Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by our Company are recognised at the proceeds received, net of direct issue costs.

Financial Liabilities

All financial liabilities are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method or at FVTPL when the financial liability is held for trading.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that we manage together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of Financial Liabilities

We derecognise financial liabilities when, and only when, our obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting of Financial Assets and Financial Liabilities

The financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when:

- we currently have a legally enforceable right to offset the amounts; and
- it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of our Company or the counterparty.

Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the year.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Statement of Cash Flows

The statement of cash flows shows the changes in cash and cash equivalents arising during the year from operating activities, investing activities and financing activities.

The cash flows from operating activities are determined by using the indirect method. Net income is therefore adjusted by non-cash items, such as measurement gains or losses, changes in provisions, impairment of property, plant and equipment and intangible assets, as well as changes from receivables and liabilities. In addition, all income and expenses from cash transactions that are attributable to investing or financing activities are eliminated.

The cash flows from investing and financing activities are determined by using the indirect method.

Foreign Currency Transactions

Foreign currency transactions are recorded at the rate prevailing on the date of transaction. Foreign currency monetary items outstanding as at the Balance Sheet date are restated at the closing rate of exchange. The resulting exchange gain/loss is reflected in the Statement of Profit and Loss.

Leases

We evaluate if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. We use significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

We determine the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if we are reasonably certain to exercise that option; and periods covered by an option to terminate the lease if we are reasonably certain not to exercise that option. In assessing whether we are reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, we consider all relevant facts and circumstances that create an economic incentive for us to exercise the option to extend the lease, or not to exercise the option to terminate the lease. We revise the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Impairment of Non-Financial Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of our cash management.

Expenses on Behalf of the Trusts

Pre-Acquisition Expenses

Expenses incurred at pre-acquisition stage are recognised as expenses for the period in which such costs are incurred.

Post-Acquisition Expenses

Expenses incurred after acquisition of assets on the formation of the trusts like stamp duty and registration charges which are recoverable from the trusts, are written off, if these expenses are not realised within 180 days from the planning period or downgrading of SRs (i.e. NAV is less than 50% of the face value of SRs) whichever is earlier. Any subsequent recoveries made are recognised in profit or loss.

SUMMARY OF MATERIAL ACCOUNTING POLCIES (RESTATED STANDALONE FINANCIAL INFORMATION)

Basis of preparation and presentation

The restated financial information of the company comprising of restated standalone balance sheet of the Company as on March 31, 2025, March 31, 2024, March 31, 2023 restated standalone statement of profit and loss (including other comprehensive income), restated standalone statement of changes in equity and restated standalone statement of cashflow of the Company for the year ended March 31, 2025, March 31, 2024, March 31, 2023 and the summary of material accounting policy and explanatory information (collectively "**Restated Financial Information**"). The Restated Financial Information is prepared by the Company for the purpose of inclusion in the DRHP prepared by the Company in connection with the Issue.

The Restated Financial Information has been prepared by the company in terms of requirement of

a) the sub-section(1) of section 26 of Part I of Chapter III of the Companies Act, 2013, and rules made thereunder as amended.

b) The SEBI ICDR Regulations.

c) The guidance note on reports in company prospectus (Revised 2019) issued by The Institute of Chartered Accountants of India (ICAI) as amended (the "Guidance note')).

The Restated Financial Information has been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the Restated Financial Information. The Restated Financial Information are presented in INR, the functional currency of the Company and all values are rounded to the nearest million (INR 000,000), except as otherwise indicated.

The Restated Financial Information has been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards, notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, and other accounting principles generally accepted in India.

Historical cost is generally based on actual consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these Restated Financial Information is determined on this basis.

Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

Application of new and revised Ind AS

Standard issued and effective:

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised for issue have been considered in preparing these financial statements.

Key accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Fair value measurement of Security Receipts

Investments in SRs are measured at latest declared NAV which is based on recovery ratings bands as determined by the independent rating agencies.

Defined benefit obligations

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Useful Lives of Property, Plant and Equipment

The Company reviews the useful life of assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Intangible Assets

The Company reviews the useful life of intangible assets at the end of each reporting period. This reassessment may result in change in amortisation expense in future periods.

Expected Credit Loss

ECL on Trade Receivables (including Management fees receivable from SR holders) and Contract asset (including funded expenses and funded interest) is based on simplified method of ECL computation as permitted under Ind AS 109.

On a prudential basis, an ECL @ 0.40% is being made on outstanding NCDs.

For Loans and priority debt funding, ECL is provided for on individual assessment basis.

Provisions and Contingent Liabilities

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Revenue recognition

Management / Trusteeship and other related fees:

Management / Trusteeship and other related fees are recognised when the company satisfies the performance obligation. The Company recognises such revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

Revenue is measured at the amount transaction price (net of variable consideration) allocated to that performance obligation.

Management fee in excess of billing is recognized as unbilled Management fee in the financial statement.

Accrual of management fees is based on commercial arrangement with trusts where Management Fees is accrued and charged as a percentage on the lower band of NAV specified by Credit Rating Agency or declared NAV whichever is lower. The accrual of management fee is discontinued once the NAV rating is withdrawn/ discontinued.

Dividend Income:

Dividend income is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Interest Income:

Interest income from interest bearing financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is recognised/ estimated using the effective interest rate method. The effective interest rate which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. However, recognition of interest on receivables from Trusts is discontinued when NAV of Security receipts of the Trust becomes Nil. The unrecognised interest is recognised on realisation.

Net income from financial instruments at FVTPL

Net income from financial instruments at FVTPL includes all realized and unrealized fair value changes and recognized in the Statement of Profit and Loss.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of profit or loss in the period in which they are incurred.

Employee benefits

Retirement benefit costs and termination benefits

Defined contribution plans - Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans - For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest income), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs and the Gains / loss arising on remeasurement are presented in Other Comprehensive Income

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Contributions from employees or third parties to defined benefit plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Company reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Company reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

Taxation

Income tax expense represents the sum of the current tax and deferred tax.

Current tax

The current tax is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those Deferred Tax Asset will be utilised.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, is considered as deferred tax in the Balance Sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with it will be realized.

Current and deferred tax for the year

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

Property, plant and equipment (PPE)

The cost of an item of property, plant and equipment is recognised if it is probable that future economic benefits associated with the item will flow to the company and the cost thereof can be measured reliably. All property, plant and equipment are initially recognised at cost. Cost comprises the purchase price and any directly attributable cost to bring the asset to its working condition for its intended use.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets purchased during the year are depreciated on the basis of actual number of days the asset has been put to use in the year. Assets individually costing Rs. 5,000/- or less are fully depreciated in the year of purchase.

Estimated Useful life of Assets is as Below:

Category of PPE	Estimated Useful life
Office Building	60 years or over the lease period whichever is lower
Leasehold improvements	60 years or over the lease period whichever is lower
Furniture & Fixtures	6.67 years
Office Equipment	5 years
Computers	3 years
Vehicles	5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or sale of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Estimated useful life of software is 4 years.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in statement of profit or loss when the asset is derecognised.

Investment in Subsidiary and Associates

Trusts are special purpose vehicles formed under SARFAESI and RBI guidelines which are managed by the Company in its capacity as a Trustee.

Control is defined to mean where an entity has power over the investee, existing rights that give it the current ability to direct the relevant activities and it also has exposure to variable returns from the Trusts.

For Trusts where the Company's outstanding Investment in Security Receipts are more than 25%, have been considered as subsidiaries. For Trusts where the Company's outstanding Investment in Security Receipts are between 20% to 25%, have been considered as Associates.

Investment in subsidiaries and associates are measured in accordance with Ind AS 109 in Standalone Financial Statements.

Provisions, Contingent Liabilities and Contingent Assets

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A Contingent Liability is disclosed unless the possibility of an outflow of resources embodying the economic benefits is remote. Contingent assets are not recognized in the financial statements. .

Financial instruments

Financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales, are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in OCI for designated FVTOCI debt instruments. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other debt instruments are subsequently measured at fair value through profit and loss.

The Financial assets contain Management fees and expenses recoverable from Trusts.

(a) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument which are at amortised cost and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the “Other income” line item.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the ‘Reserve for equity instruments through other comprehensive income’. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Equity investments at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

Dividends on investments in equity instruments are recognised as ‘other income’ when the Company’s right to receive the dividends is established.

Investment in Security receipts at fair value through profit or loss (FVTPL)

Investments in Security receipts are classified as at FVTPL. Investment in Security receipts at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. In respect of Security Receipts, the last declared NAV which is based on rating / grading reviewed by an approved Credit Rating agencies are considered as fair value. For cases which fall under planning period as defined by the RBI guidelines for SC/RC, cost of Security Receipts are considered as fair value which is normally the transaction cost. The initial rating is assigned within six months from the date of acquisition of assets. Thereafter, ratings are reviewed at six monthly intervals i.e as on 30th June and 31st December every year. However, the NAV has been reviewed on a continuous basis so that any material change in valuation of SRs is recognized immediately.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI and other contractual rights to receive cash or other financial assets.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

ECL on Trade Receivables (including Management fees receivable from SR holders) and Contract asset (including funded expenses and funded interest) is based on simplified method of ECL computation as permitted under Ind AS 109.

On a prudential basis, an ECL @ 0.40% is being made on outstanding NCDs.

For Loans and priority debt funding, ECL is provided for on individual assessment basis.

Derecognition of financial assets

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss, other than on sale of equity instruments designated at FVTOCI.

Write Off

a) Security Receipts

Outstanding Investments in Security Receipts are written off if there is no realistic prospect of recovery from such trusts on expiry of maximum resolution period or on closure of the concerned trust; whichever is earlier. Any subsequent recoveries made are recognised in profit or loss.

b) Management Fees and Other recoverable from Trust

Management Fees and Other recoverable from trust are written off if there is no realistic prospect of recovery from such trusts on expiry of maximum resolution period or on closure of the concerned trust; whichever is earlier. Any subsequent recoveries made are recognised in the Statement of profit or loss.

c) Loans

Loan and Debt securities will be written off when they remain overdue continuously for a period more than 3 years and there is no reasonable expectation of recovery from such financial assets. Any subsequent recoveries towards the same will be credited in statement of profit and loss.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method or at FVTPL when the financial liability is held for trading.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

it is a derivative that is not designated and effective as a hedging instrument.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting of Financial Assets and Financial Liabilities:

The financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when:

- the Company currently has a legally enforceable right to offset the amounts; and
- it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty

Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Statement of Cash Flows

The statement of cash flows shows the changes in cash and cash equivalents arising during the year from operating activities, investing activities and financing activities

The cash flows from operating activities are determined by using the indirect method. Net income is therefore adjusted by non-cash items, such as measurement gains or losses, changes in provisions, impairment of property, plant and equipment and intangible assets, as well as changes from receivables and liabilities. In addition, all income and expenses from cash transactions that are attributable to investing or financing activities are eliminated.

The cash flows from investing and financing activities are determined by using the indirect method.

Foreign Currency Transactions

Foreign currency transactions are recorded at the rate prevailing on the date of transaction. Foreign currency monetary items outstanding as at the Balance Sheet date are restated at the closing rate of exchange. The resulting exchange gain/loss is reflected in the Statement of Profit and Loss.

Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Expenses on behalf of the trusts

Pre- Acquisition expenses

Expenses incurred at pre-acquisition stage are recognised as expenses for the period in which such costs are incurred.

Post- Acquisition expenses

Expenses incurred after acquisition of assets on the formation of the trusts like stamp duty and registration charges which are recoverable from the trusts, are written off, if these expenses are not realised within 180 days from the planning period or downgrading of SRs i.e. Net Asset Value (NAV) is less than 50% of the face value of SRs whichever is earlier. Any subsequent recoveries made are recognised in profit or loss.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in our accounting policies during Fiscals 2025, 2024 and 2023.

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Income

Our total income comprises our revenue from operations and other income.

Revenue from operations

Our revenue from operations comprises (i) fees and other income; (ii) other operating income; (iii) recovery of security receipts, unrealized fee and expenses (written off earlier); (iv) interest income; and (v) net gain on fair value changes – unrealised.

Other income

Other income comprises (i) net gain/ (loss) on derecognition of property, plant and equipment; and (ii) others.

Expenses

Our expenses comprise: (i) finance costs; (ii) impairment of financial instruments/ financial assets; (iii) employee benefits expenses; (iv) depreciation, amortization and impairment; (v) write off of security receipts, unrealized fee and expenses; (vi) other expenses; and (vii) net loss on fair value changes - unrealised.

Finance costs

Finance cost comprise financial liabilities measured at amortised cost (i) interest on borrowings; and (ii) others.

Impairment of financial instruments/ financial assets

Impairment of financial instruments/ financial assets comprise impairment on financial assets at amortised cost (i) fees and expenses; and (ii) others.

Employee benefit expenses

Employee benefit expenses comprise (i) salaries and wages; (ii) contribution to provident and other funds; and (iii) staff welfare expenses.

Depreciation, amortization and impairment

Depreciation, amortization and impairment comprise (i) depreciation of tangible assets; (ii) amortization of intangible assets; and (iii) depreciation on right to use leasehold assets.

Write off of security receipts, unrealized fee and expenses

Write off of security receipts, unrealized fee and expenses comprise (i) unrealised management fees written off; (ii) unbilled management fees written off; (iii) unrealised expenses recoverable from trusts; and (iv) investment in security receipts written off.

Other expenses

Other expenses primarily comprise (i) rent, taxes and energy cost, (ii) repairs and maintenance; (iii) legal expenses; (iv) professional charges; (v) travelling, boarding and lodging expenses; (vi) contribution towards corporate social responsibility; and (vii) other expenditure.

Net loss on fair value changes – unrealised

Net loss on fair value changes – unrealised comprises net loss on financial instruments at fair value through profit and loss account on (i) security receipts; and (ii) financial instruments designated at fair value through profit or loss.

CONSOLIDATED RESULTS OF OPERATIONS

In accordance with Ind AS 110 and our accounting policies, trusts where our outstanding investment in security receipts are more than 25%, have been considered as subsidiaries in the Restated Consolidated Financial Information. Further, trusts where our outstanding investments in security receipts is between 20%-25%, have been considered as associates in the Restated Consolidated Financial Information. For further details, see "*Risk Factors- Our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus comprises the financial statements of the Company consolidated with those trusts which have been identified as subsidiaries or associates in accordance with applicable accounting policies. The assets and liabilities of these trusts are distinct from our Company's assets and liabilities and are held for the benefit of the SR holders. Hence, investors must read our Restated Consolidated Financial Information together with our Restated Standalone Financial Information*" on page 48.

The following table sets forth certain information with respect to our results of operations on a consolidated basis for Fiscals 2025, 2024 and 2023:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)
Revenue from operations						
Fees and other income	1,275.95	20.99%	1,466.75	24.07%	1,644.29	20.23%
Other operating income	1,988.01	32.71%	1,498.95	24.59%	1,839.04	22.63%
Recovery of security receipts, unrealized fee and expenses (written off earlier)	1,000.31	16.46%	2,875.52	47.18%	1,408.97	17.34%
Interest income	206.59	3.40%	217.01	3.56%	352.12	4.33%
Net gain on fair value changes – unrealised	1,346.69	22.16%	-	-	2,847.52	35.04%
Total revenue from operations	**5,817.55**	**95.71%**	**6,058.24**	**99.40%**	**8,091.94**	**99.57%**
Other income	260.82	4.29%	36.65	0.60%	34.73	0.43%
Total Income	**6,078.37**	**100.00%**	**6,094.89**	**100.00%**	**8,126.67**	**100.00%**
Expenses						

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)
Finance costs	113.31	1.86%	61.38	1.01%	15.98	0.20%
Impairment of financial instruments/ financial assets	28.46	0.47%	19.43	0.32%	(233.80)	(2.88)%
Employee benefits expenses	609.41	10.03%	556.59	9.13%	547.79	6.74%
Depreciation, amortization and impairment	21.53	0.35%	19.32	0.32%	21.41	0.26%
Write off of security receipts, unrealized fee and expenses	367.13	6.04%	492.64	8.08%	3,786.34	46.59%
Other expenses	626.94	10.31%	559.56	9.18%	125.66	1.55%
Net loss on fair value changes – unrealised	-	-	238.55	3.91%	-	-
Total Expenses	**1,766.79**	**29.07%**	**1,947.47**	**31.95%**	**4,263.39**	**52.46%**
Profit/ (loss) before tax	**4,311.58**	**70.93%**	**4,147.42**	**68.05%**	**3,863.28**	**47.54%**
Tax Expense						
Current tax	868.88	14.29%	1,113.94	18.28%	357.21	4.40%
Deferred tax	350.31	5.76%	(75.40)	(1.24)%	466.67	5.74%
Tax adjustment for previous years	-	-	-	-	-	-
Total tax expense	**1,219.19**	**20.06%**	**1,038.54**	**17.04%**	**823.88**	**10.14%**
Profit/ (loss) for the year	**3,092.39**	**50.88%**	**3,108.87**	**51.01%**	**3,039.40**	**37.40%**

FISCAL 2025 COMPARED TO FISCAL 2024

Total Income

Our total income decreased by 0.27% from ₹ 6,094.89 million in Fiscal 2024 to ₹ 6,078.37 million in Fiscal 2025, primarily due to a decrease in revenue from operations.

Revenue from Operations

Our revenue from operations decreased by 3.97% from ₹ 6,058.24 million in Fiscal 2024 to ₹ 5,817.55 million in Fiscal 2025, primarily on account of decreases in (i) fees and other income by 13.00% from ₹ 1,466.75 million in Fiscal 2024 to ₹ 1,275.95 million in Fiscal 2025 primarily due to a decrease in management fees/ trusteeship fees from ₹ 1,632.29 million in Fiscal 2024 to ₹ 1,117.88 million in Fiscal 2025 due to lower eligibility of management fees based on the deal structure and the available NAV band based on the ratings assigned to the SRs. The unbilled management fees increased from ₹ (376.72) million in Fiscal 2024 to ₹ (150.19) million in Fiscal 2025; and (ii) recovery of security receipts, unrealized fee and expenses (written off earlier) by 65.21% from ₹ 2,875.52 million in Fiscal 2024 to ₹ 1,000.31 million in Fiscal 2025 due to a decrease in recovery from investment in security receipts written off from ₹ 1,454.95 million in Fiscal 2024 to ₹ 144.17 million in Fiscal 2025 since during Fiscal 2024 we made higher recoveries in trusts where our outstanding investments were written off during previous years. Since most of the outstanding investments which were written off in earlier years were substantially recovered in Fiscal 2024, the recovery from investment in security receipts written off was lower in Fiscal 2025.

The overall decrease in our revenue from operations in Fiscal 2025 was partially offset by a net gain on financial instruments at fair value* through profit and loss account on security receipts of ₹ 1,346.69 million in Fiscal 2025 on account of a rating upgrade on certain stressed assets in our portfolio and higher initial ratings on certain cash investments which the trusts made during the year; and an increase in other operating income by 32.63% from ₹ 1,498.95 million in Fiscal 2024 to ₹ 1,988.01 million in Fiscal 2025 due to an increase in income from investments from ₹ 344.59 million in Fiscal 2024 to ₹ 1,100.80 million in Fiscal 2025 due to a higher recovery in certain trusts over and above the cost of acquisition and expenses.

**Note: Net gain/(loss) on fair value changes- unrealised is the net gain or loss on financial instruments at fair value through profit or loss account for investment in security receipts. Net gain is recognized as income and is clubbed with revenue from operations, while net loss is recognised as an expense and is clubbed with total expenses for the year.*

Other Income

Our other income increased from ₹ 36.65 million in Fiscal 2024 to ₹ 260.82 million in Fiscal 2025, primarily due to an increase in other income - others from ₹ 36.31 million in Fiscal 2024 to ₹ 260.53 million in Fiscal 2025 on account of interest on income tax refund received for previous assessment years.

Expenses

Our total expenses decreased by 9.28% from ₹ 1,947.47 million in Fiscal 2024 to ₹ 1,766.79 million in Fiscal 2025, primarily due to a net loss on fair value changes – unrealized* and a decrease in write off of security receipts, unrealized fee and expenses during Fiscal 2024.

**Note: Net gain/(loss) on fair value changes- unrealised is the net gain or loss on financial instruments at fair value through profit or loss account for investment in security receipts. Net gain is recognized as income and is clubbed with revenue from operations, while net loss is recognised as an expense and is clubbed with total expenses for the year.*

Our total expenses excluding net loss on fair value changes- unrealised increased from ₹ 1,708.92 million in Fiscal 2024 to ₹ 1,766.79 million in Fiscal 2025. This is primarily due to an increase in finance cost from ₹ 61.38 million in Fiscal 2024 to ₹ 113.31 million in Fiscal 2025 on account of the Company availing term loan and higher utilization of credit limits during the year.

Finance Costs

Our finance costs increased by 84.60% from ₹ 61.38 million in Fiscal 2024 to ₹ 113.31 million in Fiscal 2025, primarily due to an increase in interest on borrowings from ₹ 60.01 million in Fiscal 2024 to ₹ 113.01 million in Fiscal 2025 due to availing of a term loan and higher utilization of credit limits by the Company during the year.

Impairment of Financial Instruments/ Financial Assets

Impairment of financial instruments/ financial assets increased by 46.47% from ₹ 19.43 million in Fiscal 2024 to ₹ 28.46 million in Fiscal 2025, primarily due to an increase in expected credit loss provisioning for outstanding fees and expenses recoverable from the trusts under management.

Employee Benefits Expenses

Our employee benefits expenses increased by 9.49% from ₹ 556.59 million in Fiscal 2024 to ₹ 609.41 million in Fiscal 2025, primarily due to an increase in salaries and wages from ₹ 517.91 million in Fiscal 2024 to ₹ 567.92 million in Fiscal 2025 due to annual increments and bonus provisioning for employees.

Depreciation, Amortization and Impairment

Our depreciation, amortization and impairment expenses increased by 11.43% from ₹ 19.32 million in Fiscal 2024 to ₹ 21.53 million in Fiscal 2025, primarily due to an increase in amortization of intangible assets from ₹ 0.90 million in Fiscal 2024 to ₹ 2.66 million in Fiscal 2025.

Write Off of Security Receipts, Unrealized Fee and Expenses

Write off of security receipts, unrealized fee and expenses decreased by 25.48% from ₹ 492.64 million in Fiscal 2024 to ₹ 367.13 million in Fiscal 2025, primarily due to a decrease in unrealized expenses recoverable from trusts from ₹ 340.92 million in Fiscal 2024 to ₹ 148.67 million in Fiscal 2025 due to a lower amount of unrealized fees and expenses recoverable from trusts which completed the maximum resolution period of eight years as on March 31, 2025 as per the RBI guidelines.

Other Expenses

Our other expenses increased by 12.04% from ₹ 559.56 million in Fiscal 2024 to ₹ 626.94 million in Fiscal 2025, primarily due to increases in (i) repairs and maintenance from ₹ 23.48 million in Fiscal 2024 to ₹ 33.93 million in Fiscal 2025 on account of general repairs undertaken at the Company's head office and its branches; (ii) legal expenses from ₹ 193.72 million in Fiscal 2024 to ₹ 210.95 million in Fiscal 2025 on account of increased due diligence; (iii) contribution towards corporate social responsibility from ₹ 26.20 million in Fiscal 2024 to ₹ 61.93 million in Fiscal 2025 since there was an increase in our profit; (iv) insurance from ₹ 0.58 million in Fiscal 2024 to ₹ 10.96 million in Fiscal 2025; and (v) travelling, boarding and lodging expenses from ₹ 15.37 million in Fiscal 2024 to ₹ 22.96 million in Fiscal 2025.

Net Loss on Fair Value Changes – Unrealised

Net loss on fair value changes – unrealised* was ₹ (238.55) million in Fiscal 2024 as compared to nil in Fiscal 2025 (we had a net gain on fair value changes- unrealised of ₹ 1,346.69 million in Fiscal 2025) since we had rating downgrades on certain stressed assets in our portfolio during Fiscal 2024, and due to some of the trusts nearing the eight year period during the year.

**Note: Net gain/(loss) on fair value changes- unrealised is the net gain or loss on financial instruments at fair value through profit or loss account for investment in security receipts. Net gain is recognized as income and is clubbed with revenue from operations, while net loss is recognised as an expense and is clubbed with total expenses for the year.*

Profit/ (Loss) before Tax

Our profit before tax was ₹ 4,311.58 million in Fiscal 2025 as compared to the profit before tax of ₹ 4,147.42 million in Fiscal 2024.

Tax Expense

Our tax expenses increased by 17.39% from ₹ 1,038.54 million in Fiscal 2024 to ₹ 1,219.19 million in Fiscal 2025. In Fiscal 2024, we had a current tax expense of ₹ 1,113.94 million and a deferred tax credit of ₹ 75.40 million. In Fiscal 2025, we had a current tax expense of ₹ 868.88 million and a deferred tax expense of ₹ 350.31 million.

Profit/ (Loss) for the Year

For the reasons discussed above, our profit for the year was ₹ 3,092.39 million in Fiscal 2025 as compared to ₹ 3,108.87 million in Fiscal 2024.

FISCAL 2024 COMPARED TO FISCAL 2023

Total Income

Our total income decreased by 25.00% from ₹ 8,126.67 million in Fiscal 2023 to ₹ 6,094.89 million in Fiscal 2024, primarily due to a decrease in revenue from operations.

Revenue from Operations

Our revenue from operations decreased by 25.13% from ₹ 8,091.94 million in Fiscal 2023 to ₹ 6,058.24 million in Fiscal 2024, on account of decreases in (i) net gain on fair value changes – unrealised* from ₹ 2.847.52 million in Fiscal 2023 to nil in Fiscal 2024 (there was a net loss on fair value changes- unrealised in Fiscal 2024 which is clubbed with total expenses for the year) due to a net gain financial instruments at fair value through profit and loss account on security receipts of ₹ 2,805.42 million in Fiscal 2023 on account of a rating upgrade on certain stressed assets in our portfolio and higher initial rating on certain cash investment trusts made during the year (ii) other operating income by 18.49% from ₹ 1,839.04 million in Fiscal 2023 to ₹ 1,498.95 million in Fiscal 2024 due to a decrease in realisation over acquisition from ₹ 1,427.52 million in Fiscal 2023 to ₹ 1,102.40 million in Fiscal 2024 on account of lower recoveries in certain trusts; and (iii) fees and other income by 10.79% from ₹ 1,644.29 million in Fiscal 2023 to ₹ 1,466.75 million in Fiscal 2024 due to a decrease in portfolio recovery fees from ₹ 403.33 million in Fiscal 2023 to ₹ 210.66 million in Fiscal 2024 on account of lower recoveries in certain portfolios where portfolio recovery fees are charged. The overall decrease in our revenue from operations in Fiscal 2024 was partially offset by an increase in recovery of security receipts, unrealized fee and expenses (written off earlier) from ₹ 1,408.97 million in Fiscal 2023 to ₹ 2,875.52 million in Fiscal 2024 due to an increase in investment in security receipts written off from ₹ 918.90 million in Fiscal 2023 to ₹ 1,454.95 million in Fiscal 2024 since we made higher recoveries in trusts where our outstanding investments were written off during previous years.

**Note: Net gain/(loss) on fair value changes- unrealised is the net gain or loss on financial instruments at fair value through profit or loss account for investment in security receipts. Net gain is recognized as income and is clubbed with revenue from operations, while net loss is recognised as an expense and is clubbed with total expenses for the year.*

Other Income

Our other income increased by 5.52% from ₹ 34.73 million in Fiscal 2023 to ₹ 36.65 million in Fiscal 2024, primarily due to an increase in other income - others comprising reimbursement of expenses from trusts from ₹ 34.64 million in Fiscal 2023 to ₹ 36.31 million in Fiscal 2024.

Expenses

Our total expenses decreased by 54.32% from ₹ 4,263.39 million in Fiscal 2023 to ₹ 1,947.47 million in Fiscal 2024, primarily due to a decrease in write off of security receipts, unrealized fee and expenses on completion of maximum resolution period of eight years as per RBI guidelines.

Finance Costs

Our finance costs increased from ₹ 15.98 million in Fiscal 2023 to ₹ 61.38 million in Fiscal 2024, primarily due to an increase in interest on borrowings from ₹ 14.65 million in Fiscal 2023 to ₹ 60.01 million in Fiscal 2024 due to an increase in the outstanding amount of our borrowings during the year.

Impairment of Financial Instruments/ Financial Assets

Impairment of financial instruments/ financial assets was ₹ (233.80) million in Fiscal 2023 as compared to ₹ 19.43 million in Fiscal 2024, primarily due to fees and expenses of ₹ (106.61) million and loans of ₹ (127.19) million in Fiscal 2023 on account of reversal of expected credit loss provisions due to recovery in such trusts as compared to fees and expenses of ₹ 19.43 million in Fiscal 2024.

Employee Benefits Expenses

Our employee benefits expenses increased by 1.60% from ₹ 547.79 million in Fiscal 2023 to ₹ 556.59 million in Fiscal 2024, primarily due to an increase in salaries and wages from ₹ 513.86 million in Fiscal 2023 to ₹ 517.91 million in Fiscal 2024 due to annual increments given to employees and provision for bonus.

Depreciation, Amortization and Impairment

Our depreciation, amortization and impairment decreased by 9.76% from ₹ 21.41 million in Fiscal 2023 to ₹ 19.32 million in Fiscal 2024, primarily due to a decrease in depreciation of tangible assets from ₹ 14.44 million in Fiscal 2023 to ₹ 12.62 million in Fiscal 2024.

Write Off of Security Receipts, Unrealized Fee and Expenses

Write off of security receipts, unrealized fee and expenses decreased by 86.99% from ₹ 3,786.34 million in Fiscal 2023 to ₹ 492.64 million in Fiscal 2024, primarily due to a decrease in investment in security receipts written off from ₹ 2,491.28 million in Fiscal 2023 to ₹ 49.46 million in Fiscal 2024 since such security receipts had not redeemed within a timeframe of eight years and were required to be written-off in accordance with RBI guidelines and unbilled management fees written off from ₹ 773.52 million in Fiscal 2023 to ₹ 93.67 million in Fiscal 2024 on account of completion of maximum resolution period of eight years as per the RBI guidelines.

Other Expenses

Our other expenses increased from ₹ 125.66 million in Fiscal 2023 to ₹ 559.56 million in Fiscal 2024, primarily due to increases in (i) rent, taxes and energy cost from ₹ 33.13 million in Fiscal 2023 to ₹ 92.59 million in Fiscal 2024 on account of taxes paid; (ii) legal expenses from ₹ 92.34 million in Fiscal 2023 to ₹ 193.72 million in Fiscal 2024 on account of increased due diligence; (iii) contribution towards corporate social responsibility from ₹ 4.87 million in Fiscal 2023 to ₹ 26.20 million in Fiscal 2024 since there was an increase in our profit; (iv) professional charges from ₹ 62.10 million in Fiscal 2023 to ₹ 95.73 million in Fiscal 2024; and other expenditure from ₹ (132.37) million in Fiscal 2023 to ₹ 76.20 million in Fiscal 2024 on account of reversal of certain provisions in Fiscal 2023.

Net Loss on Fair Value Changes – Unrealised

Net loss on fair value changes – unrealised was nil in Fiscal 2023 (there was a gain on fair value changes- unrealised in Fiscal 2023 of ₹ 2,847.52 million) as compared to ₹ 238.55 million in Fiscal 2024, since we had rating downgrades on certain stressed assets in our portfolio during Fiscal 2024.

[*]Note: Net gain/(loss) on fair value changes- unrealised is the net gain or loss on financial instruments at fair value through profit or loss account for investment in security receipts. Net gain is recognized as income and is clubbed with revenue from operations, while net loss is recognised as an expense and is clubbed with total expenses for the year.

Profit/ (Loss) before Tax

Our profit before tax was ₹ 4,147.42 million in Fiscal 2024 as compared to the profit before tax of ₹ 3,863.28 million in Fiscal 2023.

Tax Expense

Our tax expense increased by 26.06% from ₹ 823.88 million in Fiscal 2023 to ₹ 1,038.54 million in Fiscal 2024. In Fiscal 2023, we had a current tax expense of ₹ 357.21 million and a deferred tax expense of ₹ 466.67 million. In Fiscal 2024, we had a current tax expense of ₹ 1,113.94 million and a deferred tax credit of ₹ (75.40) million.

Profit/ (Loss) for the Year

For the reasons discussed above, our profit for the year was ₹ 3,108.87 million in Fiscal 2024 as compared to ₹ 3,039.40 million in Fiscal 2023.

CONSOLIDATED FINANCIAL CONDITION

Assets

The table below sets out the principal components of our assets on a consolidated basis as of the dates indicated:

Particulars	As of March 31, 2025	As of March 31, 2024	As of March 31, 2023
	(₹ in million)		
Financial Assets			
Cash and Cash Equivalents	1,832.53	3,592.64	2,442.73
Bank Balances other than Cash and Cash Equivalents	7,137.79	6,163.65	3,484.45
Trade Receivables	538.80	623.11	496.85
Loans	21,586.47	14,483.88	7,924.55
Investments	11,215.95	9,137.54	10,901.10
Other Financial Assets	197.95	191.70	91.66
Total Financial Assets	**42,509.49**	**34,192.51**	**25,341.34**
Non-Financial Assets			
Current Tax Assets (Net)	434.06	1,363.31	1,580.46
Property, Plant and Equipment	354.61	369.97	378.43
Other Intangible Assets	37.50	3.19	1.32
Intangible Assets under Development	6.76	33.00	-
Other Non Financial Assets	617.43	604.91	594.21
Total Non Financial Assets	**1,450.36**	**2,374.38**	**2,554.42**
Total Assets	**43,959.85**	**36,566.89**	**27,895.76**

As of March 31, 2025, we had total assets of ₹ 43,959.85 million, compared to ₹ 36,566.89 million as of March 31, 2024 and ₹ 27,895.76 million as of March 31, 2023. The increase in our total assets from March 31, 2023 to March 31, 2025 was primarily on account of a growth in the portfolio of our stressed assets.

Financial Assets

Cash and Cash Equivalents

Our cash and cash equivalents increased from ₹ 2,442.73 million as of March 31, 2023 to ₹ 3,592.64 million as of March 31, 2024, primarily due to an increase in deposits with maturity of 3 months or less from ₹ 1,828.28 million as of March 31, 2023 to ₹ 2,368.04 million as of March 31, 2024 as certain collections made during the year could not be distributed to the SR holders, who are the beneficiaries of the relevant trusts due to restrictions including restrictions imposed by courts or borrower litigation. Accordingly, such amounts were temporarily parked in fixed deposits. Cash and cash equivalents decreased to ₹ 1,832.53 million as of March 31, 2025, due to a decrease in deposits with maturity of three months or less from ₹ 2,368.04 million as of March 31, 2024 to ₹ 1,111.17 million as of March 31, 2025 as certain amounts which were held in temporary fixed deposits due to court orders or litigation, were resolved and distributed to SR holders, who are beneficiaries of the relevant trust.

Bank Balances other than Cash and Cash Equivalents

Our bank balances other than cash and cash equivalents increased from ₹ 3,484.45 million as of March 31, 2023 to ₹ 6,163.65 million as of March 31, 2024, primarily due to an increase in earmarked balances/deposits from ₹ 1,277.24 million as of March 31, 2023 to ₹ 5,393.18 million as of March 31, 2024 as certain collections made during the year could not be distributed to the SR holders, who are the beneficiaries of the relevant trust due to restrictions including restrictions imposed by courts or borrower litigation. Accordingly, such amounts were temporarily parked in fixed deposits. Bank balances other than cash and cash equivalents increased to ₹ 7,137.79 million as of March 31, 2025, due to an increase in deposits with maturity greater than three months but less than 12 months from ₹ 540.90 million as of March 31, 2024 to ₹ 972.52 million as of March 31, 2025 due to as certain amounts which were held in temporary fixed deposits due to court orders or litigation, were resolved and distributed to SR holders, who are beneficiaries of the relevant trust.

Loans

Our loans* increased from ₹ 7,924.55 million as of March 31, 2023 to ₹ 14,483.88 million as of March 31, 2024, primarily due to an increase in acquisition of financial assets net of realisations during the year of ₹ 6,559.33 million . Loans increased to ₹ 21,586.47 million as of March 31, 2025 from ₹ 14,483.88 million as of March 31, 2024 on account of net increase in acquisition of financial assets net of realisations during the year for ₹ 7,102.59 million .

* *Loans are financial stressed assets acquired from banks and other financial institutions. These are accounted as financial assets in the books of the trusts, which when consolidated is reflected as loans in the Restated Consolidated Financial Information.*

Investments

Our investments decreased from ₹ 10,901.10 million as of March 31, 2023 to ₹ 9,137.54 million as of March 31, 2024, primarily due to the redemption of security receipts. Investments increased to ₹ 11,215.95 million as of March 31, 2025, due to an increase in acquisition of security receipts (net of redemptions).

Non-Financial Assets

Current Tax Assets (Net)

Current tax assets (net) decreased from ₹ 1,580.46 million as of March 31, 2023 to ₹ 1,363.31 million as of March 31, 2024 and ₹ 434.06 million as of March 31, 2025 on account of income tax refunds received after our income tax returns were processed.

Liabilities and Equity

The following table sets forth the principal components of our liabilities on a consolidated basis as of the dates indicated:

Particulars	As of March 31, 2025	As of March 31, 2024	As of March 31, 2023
	(₹ in million)		
Financial liabilities			
Payables			
(i) Total Outstanding Dues of Micro Enterprises and Small Enterprises	3.41	2.00	0.17
(ii) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	15.13	12.23	3.23
Borrowings (Other than Debt Securities)	3,059.86	1,499.47	1,180.13
Security Receipts	6,254.52	3,316.41	978.39
Other Financial Liabilities	6,286.49	6,729.49	2,032.13
Total Financial Liabilities	**15,619.41**	**11,559.60**	**4,194.05**
Non-Financial Liabilities			
Provisions	421.53	404.74	435.08
Deferred Tax Liabilities (Net)	456.55	106.24	181.64
Other Non-Financial Liabilities	830.96	231.19	643.44
Total Non-Financial Liabilities	**1,709.04**	**742.16**	**1,260.15**
Equity			
(a) Equity Share Capital	3,248.97	3,248.97	3,248.97
(b) Other Equity			
Company	30,931.13	27,512.42	24,867.31
Non Controlling Interest	(7,548.69)	(6,496.25)	(5,674.72)
Total Equity	**26,631.41**	**24,265.14**	**22,441.56**
Total Liabilities and Equity	**43,959.85**	**36,566.89**	**27,895.76**

Financial Liabilities

Borrowings (Other than Debt Securities)

Borrowings (other than debt securities) increased from ₹ 1,180.13 million as of March 31, 2023 to ₹ 1,499.47 million as of March 31, 2024 on account of an increase in term loans from banks from nil as of March 31, 2023 to ₹ 500.00 million as of March 31, 2024. Borrowings (other than debt securities) increased to ₹ 3,059.86 million as of March 31, 2025 on account of (i) an increase in working capital term loans from banks from ₹ 999.47 million as of March 31, 2024 to ₹ 2,059.30 million as of March 31, 2025 since we borrowed additional funds for our working capital requirements; and (ii) an increase in term loans from banks from ₹ 500.00 million as of March 31, 2024 to ₹ 1,000.00 million as of March 31, 2025.

Security Receipts

Security receipts increased from ₹ 978.39 million as of March 31, 2023 to ₹ 3,316.41 million as of March 31, 2024 on account of additional investment made in security receipts during the year. Security receipts increased to ₹ 6,254.51 million as of March 31, 2025 on account of additional investment made in security receipts during the year .

Other Financial Liabilities

Other financial liabilities increased from ₹ 2,032.13 million as of March 31, 2023 to ₹ 6,729.49 million as of March 31, 2024 on account of an increase in others comprising certain collections made during the year could not be distributed to the SR holders, who are the beneficiaries of the relevant trust due to restrictions including restrictions imposed by courts or borrower litigation, from ₹ 1,808.43 million as of March 31, 2023 to ₹ 6,502.65 million as of March 31, 2024 due to certain collections made during the year could not be distributed to the SR holders, who are the beneficiaries of the relevant trust due to restrictions including restrictions imposed by courts or borrower litigation. Accordingly, such amounts were temporarily parked in fixed deposits. Other financial liabilities decreased to ₹ 6,286.50 million as of March 31, 2025 on account of a decrease in others from ₹ 6,502.65 million as of March 31, 2024 to ₹ 6,110.40 million as of March 31, 2025 due to certain collections made during the year could not be distributed to the SR holders, who are the beneficiaries of the relevant trust due to restrictions including restrictions imposed by courts or borrower litigation. Accordingly, such amounts were temporarily parked in fixed deposits.

Equity

As of March 31, 2025, our total equity was ₹ 26,631.41 million, representing 60.58% of our total assets. As of March 31, 2024, our total equity was ₹ 24,265.14 million, representing 66.36% of our total assets. As of March 31, 2023, our total equity was ₹ 22,441.56 million, representing 80.45% of our total assets. The increase in our total equity from March 31, 2023 to March 31, 2025 was primarily due to an increase in our retained earnings and statutory reserve.

LIQUIDITY AND CAPITAL RESOURCES

We have historically financed the expansion of our business and operations primarily through funds generated from our operations. From time to time, we may obtain loan facilities to finance our short term working capital requirements. We regularly monitor our funding levels to ensure that we are able to satisfy the requirements for acquiring stressed assets for our business.

CONSOLIDATED CASH FLOWS

The following table sets forth certain information relating to our cash flows on a consolidated basis in the years indicated:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
	(₹ in million)		
Net Cash Generated from Operating Activities	2,823.19	5,516.26	2,953.25
Net Cash (Used In) Investing Activities	(5,536.62)	(3,806.00)	(3,632.97)
Net Cash Generated from Financing Activities	953.31	(560.36)	(435.09)
Net Increase/ (Decrease) in Cash and Cash Equivalents	(1,760.11)	1,149.90	(1,114.81)

Operating Activities

Fiscal 2025

Net cash generated from operating activities was ₹ 2,823.19 million in Fiscal 2025. While our net profit before tax was ₹ 4,311.58 million in Fiscal 2025, we had operating cash flow before working capital changes of ₹ 1,860.20 million, primarily as a result of fair value gain on security receipts of ₹ (1,347.85) million, unrealised fees and expenses written off (net) of ₹ (693.02) million, loss on consolidation of ₹ (225.82) million, interest income on tax refund of ₹ (217.82) million and interest on deposits with banks of ₹ (176.74) million. Our working capital adjustments to our operating cash flow before working capital changes in Fiscal 2025 consisted of a decrease in trade receivables of ₹ 476.34 million, a decrease in other financial and non-financial assets of ₹ 253.63 million, and an increase in other non-financial liabilities and provisions of ₹ 616.56 million, which was partially offset by a decrease in other financial liabilities of ₹ (435.33) million.

Fiscal 2024

Net cash generated from operating activities was ₹ 5,516.26 million in Fiscal 2024. While our net profit before tax was ₹ 4,147.42 million in Fiscal 2024, we had operating cash flow before working capital changes of ₹ 1,436.70 million in Fiscal 2024, primarily as a result of realisation against investments written off in previous years of ₹ (1,454.95) million, unrealised fees and expenses written off (net) of ₹ 977.39 million, loss on consolidation of ₹ 459.51 million and interest on deposits with banks of ₹ (200.61) million. Our working capital adjustments to our operating cash flow before working capital changes in Fiscal 2024 consisted of an increase in other financial liabilities of ₹ 4,700.91 million, a decrease in trade receivables of ₹ 434.46 million and a decrease in other financial and non-financial assets of ₹ 286.14 million, which was partially offset by a decrease in other non financial liabilities and provisions of ₹ 442.59 million.

Fiscal 2023

Net cash generated from operating activities was ₹ 2,953.25 million in Fiscal 2023. While our net profit before tax was ₹ 3,863.28 million in Fiscal 2023, we had operating cash flow before working capital changes of ₹ 2,412.83 million in Fiscal 2023, primarily as a result of fair value gain on security receipts of ₹ 2,805.42 million, realisation against investments written off in previous years of ₹ (918.90) million, loss on consolidation of ₹ 501.79 million and interest on deposits with banks of ₹ (200.86) million. Our working capital adjustments to our operating cash flow before working capital changes in Fiscal 2023 consisted of a decrease in other financial and non-financial assets of ₹ 1,201.77 million, an increase in other financial liabilities of ₹ 332.06 million and a decrease in trade receivables of ₹ 85.41 million, which was partially offset by a decrease in other non financial liabilities and provisions of ₹ 263.37 million.

Investing Activities

Fiscal 2025

Net cash used in investing activities was ₹ 5,536.61 million in Fiscal 2025, primarily comprising investments in loans (net) of ₹ (7,102.59) million, investments in mutual funds of ₹ (2,719.87) million, an increase in earmarked constituent balances of ₹ (542.52) million, and a decrease in bank deposits not considered as cash and cash equivalents of ₹ 431.62 million, which was partially offset by SRs issued/distributed (net) of ₹ 2,938.10 million and redemption in mutual fund of ₹ 2,332.88 million.

Fiscal 2024

Net cash used in investing activities was ₹ 3,806.00 million in Fiscal 2024, primarily comprising investments in loans (net) of ₹ (6,559.33) million, a decrease in earmarked constituent balances of ₹ 4,067.47 million, which was partially offset by investment in security receipts (net) of ₹ 2,848.15 million, SRs issued/ distributed (net) of ₹ 2,338.02 million and increase in bank deposits not considered as cash and cash equivalent of ₹ 1,388.26 million.

Fiscal 2023

Net cash used in investing activities was ₹ 3,632.97 million in Fiscal 2023, primarily comprising investments in loans (net) of ₹ (1,803.16) million, investment in security receipts (net) of ₹ (1,548.78) million, a decrease in bank deposits not considered as cash and cash equivalents of ₹ 777.47 million, and a decrease in earmarked constituent balances of ₹ 249.47 million, which was partially offset by SRs issued/ distributed (net) of ₹ 402.03 million and interest received on deposits of ₹ 200.86 million.

Financing Activities

Fiscal 2025

Net cash generated from financing activities was ₹ 953.31 million in Fiscal 2025, primarily comprising proceeds from short-term borrowings (net) of ₹ 1,059.83 million and proceeds from term loans of ₹ 500.00 million, which was partially offset by dividend payout of ₹ (487.35) million and finance cost of ₹ (112.75) million.

Fiscal 2024

Net cash generated from financing activities was ₹ (560.36) million in Fiscal 2024, primarily comprising dividend payout of ₹ (812.24) million, repayment of short-term borrowings (net) of ₹ 180.53 million, finance cost of ₹ (61.51) million, which was partially offset by proceeds from term loans of ₹ 500.00 million.

Fiscal 2023

Net cash generated from financing activities was ₹ (435.09) million in Fiscal 2023, primarily comprising proceeds from term loan of ₹ (320.00) million and dividend payout of ₹ (324.90) million, which was partially offset by proceeds from short-term borrowings (net) of ₹ 231.26 million.

STANDALONE RESULTS OF OPERATIONS

The following table sets forth certain information with respect to our results of operations on a standalone basis for Fiscals 2025, 2024 and 2023:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)
Revenue from operations						
Fees and other income	1,719.08	27.58%	1,788.71	31.16%	1,734.55	23.01%
Other operating income	1,922.53	30.84%	823.38	14.34%	1,635.17	21.69%
Recovery of security receipts, unrealized fee and expenses (written off earlier)	1,000.32	16.05%	2,874.74	50.07%	1,408.98	18.69%
Interest income	137.84	2.21%	214.58	3.74%	295.15	3.92%
Net gain on fair value changes – unrealised	1,184.46	19.00%	-	-	2,439.29	32.36%
Total revenue from operations	**5,964.23**	**95.67%**	**5,701.41**	**99.31%**	**7,513.14**	**99.68%**
Other income	269.76	4.33%	39.65	0.69%	23.97	0.32%
Total Income	**6,233.99**	**100.00%**	**5,741.06**	**100.00%**	**7,537.11**	**100.00%**
Expenses						
Finance costs	113.31	1.82%	40.06	0.70%	15.98	0.21%
Impairment of financial instruments/ financial assets	38.93	0.62%	23.90	0.42%	(233.32)	(3.10)%
Employee benefits expenses	609.42	9.78%	556.60	9.70%	547.78	7.27%

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)
Depreciation, amortization and impairment	21.53	0.35%	19.32	0.34%	21.41	0.28%
Write off of security receipts, unrealized fee and expenses	367.13	5.89%	492.64	8.58%	3,786.31	50.24%
Other expenses	311.29	4.99%	258.57	4.50%	183.83	2.44%
Net loss on fair value changes – unrealised	-	-	258.02	4.49%	-	-
Total Expenses	**1,461.61**	**23.45%**	**1,649.11**	**28.72%**	**4,321.99**	**57.34%**
Profit/ (loss) before tax	**4,772.38**	**76.55%**	**4,091.95**	**71.28%**	**3,215.12**	**42.66%**
Tax expense						
Current tax	868.88	13.94%	1,113.94	19.40%	357.21	4.74%
Deferred tax	350.31	5.62%	(75.40)	(1.31)%	466.67	6.19%
Total tax expense	**1,219.19**	**19.56%**	**1,038.54**	**18.09%**	**823.88**	**10.93%**
Profit/ (loss) for the year	**3,553.19**	**57.00%**	**3,053.41**	**53.19%**	**2,391.24**	**31.73%**

FISCAL 2025 COMPARED TO FISCAL 2024

Total Income

Our total income increased by 8.59% from ₹ 5,741.06 million in Fiscal 2024 to ₹ 6,233.99 million in Fiscal 2025, primarily due to an increase in revenue from operations.

Revenue from Operations

Our revenue from operations increased by 4.60% from ₹ 5,701.41 million in Fiscal 2024 to ₹ 5,964.23 million in Fiscal 2025, primarily on account of (i) an increase in other operating income from ₹ 823.38 million in Fiscal 2024 to ₹ 1,922.53 million in Fiscal 2025 due to an increase in income from investments from ₹ 734.50 million in Fiscal 2024 to ₹ 1,846.17 million in Fiscal 2025 due to higher recovery over and above the cost of acquisition and expenses in some trusts resulting in investment income; and (ii) a net gain on fair value changes – unrealised* from nil in Fiscal 2024 to ₹ 1,184.46 million in Fiscal 2025, primarily on account of a net gain financial instruments at fair value through profit and loss account on security receipts of ₹ 1,184.74 million on account of a rating upgrade on certain stressed assets in our portfolio and higher initial rating on certain cash investments made in certain trusts during the year.

The overall increase in our revenue from operations in Fiscal 2025 was partially offset by *decreases in* recovery of security receipts, unrealized fee and expenses (written off earlier) by 65.20% from ₹ 2,874.74 million in Fiscal 2024 to ₹ 1,000.32 million in Fiscal 2025 due to a decrease in investment in security receipts from ₹ 1,454.95 million in Fiscal 2024 to ₹ 144.17 million in Fiscal 2025 since during Fiscal 2024 we made higher recoveries of our outstanding investments that were written off during previous years.

**Note: Net gain/(loss) on fair value changes- unrealised is the net gain or loss on financial instruments at fair value through profit or loss account for investment in security receipts. Net gain is recognized as income and is clubbed with revenue from operations, while net loss is recognised as an expense and is clubbed with total expenses for the year.*

Other Income

Our other income increased from ₹ 39.65 million in Fiscal 2024 to ₹ 269.76 million in Fiscal 2025, primarily due to an increase in other income - others from ₹ 39.31 million in Fiscal 2024 to ₹ 269.47 million in Fiscal 2025 on account of interest on income tax refund received for a previous assessment year.

Expenses

Our total expenses decreased by 11.37% from ₹ 1,649.11 million in Fiscal 2024 to ₹ 1,461.61 million in Fiscal 2025, mainly due to a decrease in write off of security receipts, unrealized fee and expenses.

Finance Costs

Our finance costs increased from ₹ 40.06 million in Fiscal 2024 to ₹ 113.31 million in Fiscal 2025, primarily due to an increase in interest on borrowings from ₹ 38.69 million in Fiscal 2024 to ₹ 113.01 million in Fiscal 2025 due to an increase in the outstanding amount of our borrowings during the year.

Impairment of Financial Instruments/ Financial Assets

Impairment of financial instruments/ financial assets increased by 62.88% from ₹ 23.90 million in Fiscal 2024 to ₹ 38.93 million in Fiscal 2025, primarily due to an increase in fees and expenses from ₹ 23.90 million in Fiscal 2024 to ₹ 38.93 million in Fiscal 2025 incurred on expected credit loss on outstanding fees and expenses recoverable from trusts.

Employee Benefits Expenses

Our employee benefits expenses increased by 9.49% from ₹ 556.60 million in Fiscal 2024 to ₹ 609.42 million in Fiscal 2025, primarily due to an increase in salaries and wages from ₹ 517.91 million in Fiscal 2024 to ₹ 567.92 million in Fiscal 2025 due to an increase the number of our employees and annual increments given to employees and bonus provision.

Depreciation, Amortization and Impairment

Our depreciation, amortization and impairment increased by 11.43% from ₹ 19.32 million in Fiscal 2024 to ₹ 21.53 million in Fiscal 2025, primarily due to an increase in amortization of intangible assets from ₹ 0.90 million in Fiscal 2024 to ₹ 2.66 million in Fiscal 2025.

Write Off of Security Receipts, Unrealized Fee and Expenses

Write off of security receipts, unrealized fee and expenses decreased by 25.48% from ₹ 492.64 million in Fiscal 2024 to ₹ 367.13 million in Fiscal 2025, primarily due to a decrease in unrealised expenses recoverable from trusts from ₹ 340.92 million in Fiscal 2024 to ₹ 148.67 million in Fiscal 2025 due to completion of maximum resolution period of eight years for such trusts as per the provisions of RBI guidelines.

Other Expenses

Our other expenses increased by 20.39% from ₹ 258.57 million in Fiscal 2024 to ₹ 311.29 million in Fiscal 2025, primarily due to increases in (i) repairs and maintenance from ₹ 23.48 million in Fiscal 2024 to ₹ 33.93 million in Fiscal 2025 on account of repairs undertaken; (ii) contribution towards corporate social responsibility from ₹ 26.20 million in Fiscal 2024 to ₹ 61.93 million in Fiscal 2025 since there was an increase in our profit; (iii) travelling, boarding and lodging expenses from ₹ 12.59 million in Fiscal 2024 to ₹ 19.49 million in Fiscal 2025; and (iv) other expenditure from ₹ 62.12 million in Fiscal 2024 to ₹ 66.18 million in Fiscal 2025.

Net Loss on Fair Value Changes – Unrealised

Net loss on fair value changes – unrealised* decreased from ₹ 258.02 million in Fiscal 2024 to nil in Fiscal 2025 (in Fiscal 2025, we had a net gain on fair value changes- unrealised of ₹ 1,184.46 million) since we had rating downgrades on certain stressed assets in our portfolio during Fiscal 2024 and some of our portfolios neared the eight year period as per the RBI guidelines.

**Note: Net gain/(loss) on fair value changes- unrealised is the net gain or loss on financial instruments at fair value through profit or loss account for investment in security receipts. Net gain is recognized as income and is clubbed with revenue from operations, while net loss is recognised as an expense and is clubbed with total expenses for the year.*

Profit/ (Loss) before Tax

Our profit before tax was ₹ 4,772.38 million in Fiscal 2025 as compared to a profit before tax of ₹ 4,091.95 million in Fiscal 2024.

Tax Expense

Our tax expenses increased by 17.39% from ₹ 1,038.54 million in Fiscal 2024 to ₹ 1,219.19 million in Fiscal 2025. In Fiscal 2024, we had a current tax expense of ₹ 1,113.94 million and a deferred tax credit of ₹ 75.40 million. In Fiscal 2025, we had a current tax expense of ₹ 868.88 million and a deferred tax expense of ₹ 350.31 million.

Profit/ (Loss) for the Year

For the reasons discussed above, our profit for the year was ₹ 3,553.19 million in Fiscal 2025 as compared to ₹ 3,053.41 million in Fiscal 2024.

FISCAL 2024 COMPARED TO FISCAL 2023

Total Income

Our total income decreased by 23.83% from ₹ 7,537.11 million in Fiscal 2023 to ₹ 5,741.06 million in Fiscal 2024, primarily due to a decrease in revenue from operations.

Revenue from Operations

Our revenue from operations decreased by 24.11% from ₹ 7,513.14 million in Fiscal 2023 to ₹ 5,701.41 million in Fiscal 2024, on account of decreases in (i) other operating income by 49.65% from ₹ 1,635.17 million in Fiscal 2023 to ₹ 823.38 million in Fiscal 2024 due to a decrease in income from investments from ₹ 1,460.24 million in Fiscal 2023 to ₹ 734.50 million in Fiscal 2024 on account of lower recoveries in certain trusts and (ii) a net gain on fair value changes – unrealised* from ₹ 2,439.29 million in Fiscal 2023 to nil in Fiscal 2024, primarily on account of a net gain financial instruments at fair value through profit and loss account on security receipts of ₹ 2,439.44 million in Fiscal 2023 on account of a rating upgrade on certain stressed assets in our portfolio and higher initial rating on certain cash investments made in trusts during the year. The overall decrease in our revenue from operations in Fiscal 2024 was partially offset by an increase in recovery of security receipts, unrealized fee and expenses (written off earlier) from ₹ 1,408.98 million in Fiscal 2023 to ₹ 2,874.74 million in Fiscal 2024 due to an increase in investment in security receipts from ₹ 918.90 million in Fiscal 2023 to ₹ 1,454.95 million in Fiscal 2024 since we made higher recoveries of our outstanding investments that were written off during previous years.

**Note: Net gain/(loss) on fair value changes- unrealised is the net gain or loss on financial instruments at fair value through profit or loss account for investment in security receipts. Net gain is recognized as income and is clubbed with revenue from operations, while net loss is recognised as an expense and is clubbed with total expenses for the year.*

Other Income

Our other income increased by 65.42% from ₹ 23.97 million in Fiscal 2023 to ₹ 39.65 million in Fiscal 2024, primarily due to in other income - others comprising reimbursement of certain expenses from ₹ 23.88 million in Fiscal 2023 to ₹ 39.31 million in Fiscal 2024.

Expenses

Our total expenses decreased by 61.84% from ₹ 4,321.99 million in Fiscal 2023 to ₹ 1,649.11 million in Fiscal 2024, primarily due to a decrease in write off of security receipts, unrealized fee and expenses.

Finance Costs

Our finance costs increased from ₹ 15.98 million in Fiscal 2023 to ₹ 40.06 million in Fiscal 2024, primarily due to an increase in interest on borrowings from ₹ 14.65 million in Fiscal 2023 to ₹ 38.69 million in Fiscal 2024 due to an increase in the outstanding amount of our borrowings during the year.

Impairment of Financial Instruments/ Financial Assets

Impairment of financial instruments/ financial assets was ₹ (233.32) million in Fiscal 2023 as compared to ₹ 23.90 million in Fiscal 2024, primarily comprising loans of ₹ (127.19) million and fees and expenses of ₹ (106.13) million on account of reversal of expected credit loss provisions due to recovery in certain trusts.

Employee Benefits Expenses

Our employee benefits expenses increased by 1.61% from ₹ 547.78 million in Fiscal 2023 to ₹ 556.60 million in Fiscal 2024, primarily due to an increase in salaries and wages from ₹ 513.86 million in Fiscal 2023 to ₹ 517.91 million in Fiscal 2024 due to annual increments given to employees and bonus provision.

Depreciation, Amortization and Impairment

Our depreciation, amortization and impairment decreased by 9.76% from ₹ 21.41 million in Fiscal 2023 to ₹ 19.32 million in Fiscal 2024, primarily due to a decrease in depreciation of tangible assets from ₹ 14.44 million in Fiscal 2023 to ₹ 12.62 million in Fiscal 2024.

Write Off of Security Receipts, Unrealized Fee and Expenses

Write off of security receipts, unrealized fee and expenses decreased by 86.99% from ₹ 3,786.31 million in Fiscal 2023 to ₹ 492.64 million in Fiscal 2024, primarily due to a decrease in investment in security receipts written off from ₹ 2,491.28 million in Fiscal 2023 to ₹ 49.46 million in Fiscal 2024 on account of completion of maximum resolution period of eight years as per the provisions of RBI guidelines.

Other Expenses

Our other expenses increased by 40.66% from ₹ 183.83 million in Fiscal 2023 to ₹ 258.57 million in Fiscal 2024, primarily due to increases in (i) professional charges from ₹ 62.32 million in Fiscal 2023 to ₹ 95.97 million in Fiscal 2024 on account of services availed for tax and other legal matters; (ii) contribution towards corporate social responsibility from ₹ 4.87 million in

Fiscal 2023 to ₹ 26.20 million in Fiscal 2024 since there was an increase in our profit; and (iii) other expenditure from ₹ 42.68 million in Fiscal 2023 to ₹ 62.12 million in Fiscal 2024.

Net Loss on Fair Value Changes – Unrealised

Net loss on fair value changes – unrealised* increased from nil in Fiscal 2023 (in Fiscal 2023 we had a net gain on fair value changes- unrealised of ₹ 2,439.29 million) to ₹ 258.02 million in Fiscal 2024, since we had rating downgrades on certain stressed assets in our portfolio during Fiscal 2024.

**Note: Net gain/(loss) on fair value changes- unrealised is the net gain or loss on financial instruments at fair value through profit or loss account for investment in security receipts. Net gain is recognized as income and is clubbed with revenue from operations, while net loss is recognised as an expense and is clubbed with total expenses for the year.*

Profit/ (Loss) before Tax

Our profit before tax was ₹ 4,091.95 million in Fiscal 2024 as compared to a profit before tax of ₹ 3,215.12 million in Fiscal 2023.

Tax Expense

Our total tax expenses increased by 26.05% from ₹ 823.88 million in Fiscal 2023 to ₹ 1,038.54 million in Fiscal 2024. In Fiscal 2023, we had a current tax expense of ₹ 357.21 million and a deferred tax expense of ₹ 466.67 million. In Fiscal 2024, we had a current tax expense of ₹ 1,113.94 million and a deferred tax credit of ₹ (75.40) million.

Profit/ (Loss) for the Year

For the reasons discussed above, our profit for the year was ₹ 3,053.41 million in Fiscal 2024 as compared to ₹ 2,391.24 million in Fiscal 2023.

STANDALONE FINANCIAL CONDITION

Assets

The table below sets out the principal components of our assets on a standalone basis as of the dates indicated:

Particulars	As of March 31, 2025	As of March 31, 2024	As of March 31, 2023
	(₹ in million)		
Financial Assets			
Cash and Cash Equivalents	1,369.08	3,324.83	2,004.32
Bank Balances other than Cash and Cash Equivalents	1,217.81	770.48	2,207.21
Trade Receivables	720.50	729.74	566.77
Investments	27,716.51	20,623.94	17,769.62
Other Financial Assets	242.09	174.37	154.96
Total Financial Assets	**31,265.99**	**25,623.36**	**22,702.88**
Non-Financial Assets			
Current Tax Assets (Net)	355.88	1,318.93	1,561.02
Property, Plant and Equipment	354.61	369.97	378.42
Other Intangible Assets	37.49	3.19	1.33
Intangible Assets under Development	6.76	33.00	-
Other Non-Financial Assets	617.43	604.91	594.31
Total Non-Financial Assets	**1,372.17**	**2,330.00**	**2,535.08**
Total Assets	**32,638.16**	**27,953.36**	**25,237.96**

As of March 31, 2025, we had total assets of ₹ 32,638.16 million, compared to ₹ 27,953.36 million as of March 31, 2024 and ₹ 25,237.96 million as of March 31, 2023. The increase in our total assets from March 31, 2023 to March 31, 2025 was primarily on account of a growth in the portfolio of our stressed assets.

Financial Assets

Cash and Cash Equivalents

Our cash and cash equivalents increased from ₹ 2,004.32 million as of March 31, 2023 to ₹ 3,324.83 million as of March 31, 2024, primarily due to an increase in deposits with maturity of 3 months or less from ₹ 1,828.28 million as of March 31, 2023 to ₹ 2,368.04 million as of March 31, 2024 to maintain liquidity to support the growth of our business and acquire stressed assets. Cash and cash equivalents decreased to ₹ 1,369.08 million as of March 31, 2025, due to a decrease in deposits with maturity of 3 months or less from ₹ 2,368.04 million as of March 31, 2024 to ₹ 1,111.17 million as of March 31, 2025 as we deployed funds to acquire stressed assets during Fiscal 2025.

Bank Balances other than Cash and Cash Equivalents

Our bank balances other than cash and cash equivalents decreased from ₹ 2,207.21 million as of March 31, 2023 to ₹ 770.48 million as of March 31, 2024, primarily due to a decrease in deposits with maturity greater than 3 months but less than 12 months from ₹ 1,929.16 million as of March 31, 2023 to ₹ 540.90 million as of March 31, 2024 since we made investments to acquire stressed assets. Bank balances other than cash and cash equivalents increased to ₹ 1,217.81 million as of March 31, 2025, due to an increase in deposits with maturity greater than 3 months but less than 12 months from ₹ 540.90 million as of March 31, 2024 to ₹ 972.52 million as of March 31, 2025 due to higher recoveries made during the year resulting in funds being parked in fixed deposits for longer periods.

Investments

Our investments increased from ₹ 17,769.62 million as of March 31, 2023 to ₹ 20,623.94 million as of March 31, 2024 and ₹ 27,716.51 million as of March 31, 2025 due to an increased investments in security receipts (net of redemptions).

Non-Financial Assets

Current Tax Assets (Net)

Current tax assets (net) decreased from ₹ 1,561.02 million as of March 31, 2023 to ₹ 1,318.93 million as of March 31, 2024 and ₹ 355.88 million as of March 31, 2025 on account of income tax refunds received after our income tax returns were processed.

Liabilities and Equity

The following table sets forth the principal components of our liabilities on a standalone basis as of the dates indicated:

Particulars (Restated Standalone Financial Information)	As of March 31, 2025	As of March 31, 2024	As of March 31, 2023
	(₹ in million)		
Financial liabilities			
Payables			
(i) Total Outstanding Dues of Micro Enterprises and Small Enterprises	3.41	2.00	0.17
(ii) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	15.13	12.23	3.23
Borrowings (Other than Debt Securities)	3,059.86	1,499.47	1,180.13
Other Financial Liabilities	298.00	1,121.55	509.06
Total Financial Liabilities	**3,376.40**	**2,635.25**	**1,692.59**
Non-Financial Liabilities			
Provisions	421.53	404.74	435.08
Deferred Tax Liabilities (Net)	456.55	106.24	181.64
Other Non-Financial Liabilities	705.70	182.02	531.22
Total Non-Financial Liabilities	**1,583.78**	**693.00**	**1,147.94**
Equity			
(a) Equity Share Capital	3,248.97	3,248.97	3,248.97
(b) Other Equity	24,429.01	21,376.14	19,148.46
Total Equity	**27,677.98**	**24,625.11**	**22,397.43**
Total Liabilities and Equity	**32,638.16**	**27,953.36**	**25,237.96**

Financial Liabilities

Borrowings (Other than Debt Securities)

Borrowings (other than debt securities) increased from ₹ 1,180.13 million as of March 31, 2023 to ₹ 1,499.47 million as of March 31, 2024 on account of an increase in term loans from banks from nil as of March 31, 2023 to ₹ 500.00 million as of March 31, 2024. Borrowings (other than debt securities) increased to ₹ 3,059.86 million as of March 31, 2025 on account of (i) an increase in working capital term loans from banks from ₹ 999.47 million as of March 31, 2024 to ₹ 2,059.29 million as of March 31, 2025 since we borrowed additional funds for our working capital requirements; and (ii) an increase in term loans from banks from ₹ 500.00 million as of March 31, 2024 to ₹ 1,000.00 million as of March 31, 2025.

Equity

As of March 31, 2025, our total equity was ₹ 27,677.98 million, representing 84.80% of our total assets. As of March 31, 2024, our total equity was ₹ 24,625.11 million, representing 88.09% of our total assets. As of March 31, 2023, our total equity was ₹ 22,397.43 million, representing 88.75% of our total assets. The increase in our total equity from March 31, 2023 to March 31, 2025 was primarily due to an increase in our retained earnings and statutory reserve.

STANDALONE CASH FLOWS

The following table sets forth certain information relating to our cash flows on a standalone basis in the years indicated:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
	(₹ in million)		
Net Cash Generated from Operating Activities	3,190.36	2,022.54	2,716.36
Net Cash (Used In) Investing Activities	(6,099.42)	(163.01)	(3,449.91)
Net Cash Generated from Financing Activities	953.30	(539.03)	(435.09)
Net Increase/ (Decrease) in Cash and Cash Equivalents	(1,955.75)	1,320.50	(1,168.64)

Operating Activities

Fiscal 2025

Net cash generated from operating activities was ₹ 3,190.36 million in Fiscal 2025. While our net profit before tax was ₹ 4,772.38 million in Fiscal 2025, we had operating cash flow before working capital changes of ₹ 2,797.22 million, primarily as a result of fair value gain on security receipts of ₹ (1,184.74) million, unrealised fees and expenses written off (net) of ₹ (693.02) million and interest on income tax refund of ₹ (217.82) million. Our working capital adjustments to our operating cash flow before working capital changes in Fiscal 2025 consisted of an increase in other non financial liabilities and provisions of ₹ 540.47 million, a decrease in trade receivables of ₹ 394.25 million and a decrease in other financial and non-financial assets of ₹ 188.83 million, which was partially offset by a decrease in other financial liabilities of ₹ (815.93) million.

Fiscal 2024

Net cash generated from operating activities was ₹ 2,022.54 million in Fiscal 2024. While our net profit before tax was ₹ 4,091.95 million in Fiscal 2024, we had operating cash flow before working capital changes of ₹ 1,906.60 million, primarily as a result of realisation against investments written off in previous years of ₹ (1,454.95) million, unrealised fees and expenses written off (net) of ₹ (976.61) million, and interest on deposits with banks of ₹ (136.33) million. Our working capital adjustments to our operating cash flow before working capital changes in Fiscal 2024 consisted of an increase in other financial liabilities of ₹ 610.07 million, a decrease in trade receivables of ₹ 394.57 million, a decrease in other financial and non-financial assets of ₹ 365.06 million, which was partially offset by a decrease in other non-financial liabilities and provisions of ₹ 379.54 million.

Fiscal 2023

Net cash generated from operating activities was ₹ 2,716.36 million in Fiscal 2023. While our net profit before tax was ₹ 3,215.12 million in Fiscal 2023, we had operating cash flow before working capital changes of ₹ 2,754.14 million, primarily as a result of a fair value gain on security receipts of ₹ 2,439.44 million, realisation against investments written off in previous years of ₹ (918.90) million and impairment loss on financial instruments of ₹ 233.33 million. Our working capital adjustments to our operating cash flow before working capital changes in Fiscal 2023 consisted of a decrease in other financial and non-financial assets of ₹ 875.41 million, which was partially offset by a decrease in other non-financial liabilities and provisions of ₹ 358.48 million.

Investing Activities

Fiscal 2025

Net cash used in investing activities was ₹ 6,099.42 million in Fiscal 2025, primarily comprising investments in security receipts of ₹ (12,814.86) million and investments in mutual fund of ₹ (2,719.87) million, which was partially offset by proceeds from redemption of investments of ₹ 7,246.08 million and redemption in mutual funds of ₹ 2,332.88 million.

Fiscal 2024

Net cash used in investing activities was ₹ 163.01 million in Fiscal 2024, primarily comprising investments in security receipts of ₹ (9,449.68) million, which was partially offset by proceeds from redemption of investments of ₹ 7,748.44 million and a decrease in bank deposits not considered as cash and cash equivalents of ₹ 1,387.65 million.

Fiscal 2023

Net cash used in investing activities was ₹ 3,449.91 million in Fiscal 2023, primarily comprising investments in security receipts of ₹ (8,166.61) million and an increase in bank deposits not considered as cash and cash equivalents of ₹ 777.89 million, which was partially offset by proceeds from redemption of investments of ₹ 5,100.19 million.

Financing Activities

Fiscal 2025

Net cash generated from financing activities was ₹ 953.30 million in Fiscal 2025, primarily comprising proceeds from short-term borrowings (net) of ₹ 1,059.82 million and proceeds from term loans (net) of ₹ 500.00 million, which was partially offset by dividend paid of ₹ (487.35) million and finance cost of ₹ (112.45) million.

Fiscal 2024

Net cash generated from financing activities was ₹ (539.03 million in Fiscal 2024, primarily comprising dividend paid of ₹ (812.24) million, repayment from short-term borrowings (net) of ₹ 180.53 million, which was partially offset by proceeds from term loans (net) of ₹ 500.00 million.

Fiscal 2023

Net cash generated from financing activities was ₹ (435.09) million in Fiscal 2023, primarily comprising repayment from term loan (net) of ₹ 320.00 million and dividend paid of ₹ (324.90) million, which was partially offset by proceeds from short-term borrowings (net) of ₹ 231.26 million.

FINANCIAL INDEBTEDNESS

As of March 31, 2025, we had total outstanding borrowings amounting to ₹ 3,059.86 million on a consolidated basis. For further details related to our indebtedness, see "*Financial Indebtedness*" on page 370.

The following table sets forth certain information relating to our outstanding indebtedness on a consolidated basis as of March 31, 2025, and our repayment obligations in the periods indicated:

Particulars	As of March 31, 2025		
	Payment due by period (₹ million)		
	Less than 1 year	More than 1 year	Carrying amount
Borrowings	2,309.86	750.00	3.059.86

CONTINGENT LIABILITIES AND COMMITMENTS

As of March 31, 2025, our contingent liabilities on a consolidated basis were as follows:

Particulars	As at March 31, 2025 (₹ in million)
a) Guarantees excluding financial guarantees	
- Bank guarantee furnished by the Company	20.00
b) Others	
- Service tax (see note below)	561.04

Note: Directorate General of Central Excise Intelligence (DGCEI) and Office of Principal Commissioner of Service TAX-III has issued show cause notices demanding service tax to the extent of ₹ 561.04 million (apart from interest and penalty amount) relating to the period May 16, 2008 to June 30, 2017. Subsequently, an order has also been issued by Service Tax Commissionerate III, Mumbai in April 2017 demanding an amount of ₹ 458.51 million relating to the period May 16, 2008 to March 31, 2015 and the penalty as per order is ₹ 402.40 million whereas interest liability has not been quantified in the said order. Another order for the period of April 1, 2015 to June 30, 2017 issued by Office of the commissioner of CGST & Central Excise, Mumbai in June 2019 demanding amount of ₹ 102.53 million and the penalty as per order is ₹ 10.25 million whereas interest liability has not been quantified in the said order. Based on the legal opinion, the Company is confident of getting this order quashed and there is not expected to be any liability on the same. The Company has also preferred an appeal in the Tribunal against the order. Although the Company believes that it has a strong case on the aforesaid matter, however considering the amount and the time involved in the settlement of the case, the Company has deposited an amount of ₹ 561.04 million "under protest" to freeze the interest liability. No provision in this regard has been made in the accounts since no liability is expected to arise on the Company in this matter.

As of March 31, 2025, our capital commitments on a consolidated basis were as follows:

Particulars	As at March 31, 2025 (₹ in million)
Estimated amount of contracts remaining to be executed on capital and not provided for	1.29

OFF-BALANCE SHEET ARRANGEMENTS

As of March 31, 2025, we did not have any off-balance sheet arrangements.

CAPITAL EXPENDITURE

The following table sets forth our capital expenditure on a consolidated basis for the periods indicated:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
		(₹ in million)	
Furniture and Fittings	0.72	0.03	0.11
Office Equipment's	0.44	0.68	0.84
Vehicles	-	4.95	-
Computers	3.59	2.62	6.30
Right to use Leasehold Assets-Office Premises	2.12	3.62	7.93
Computer Software	36.96	2.76	1.01
Projects in progress	6.76	33.00	-
Total	**50.59**	**47.66**	**16.19**

CAPITAL ADEQUACY

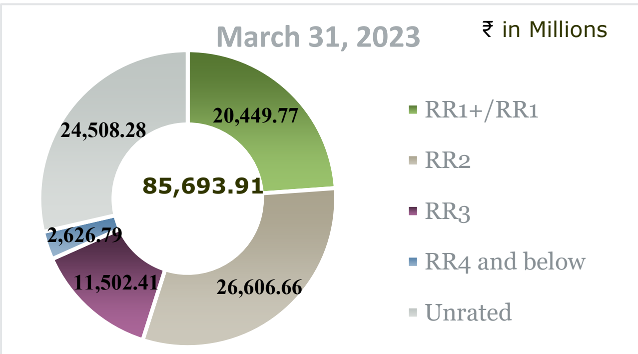
The following table sets forth information relating to our capital adequacy ratio (capital to risk-weighted assets ("**CRAR**")) as of the dates indicated:

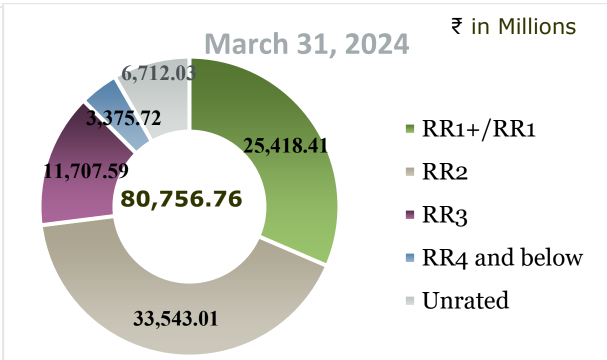
Ratio	Numerator	Denominator	As of March 31, 2025	As of March 31, 2024	As of March 31, 2023
CRAR	Net owned funds	Risk weighted assets	90.59%	99.03%	95.82%
Tier I CRAR	Tier I capital	Risk weighted assets	90.59%	99.03%	95.82%

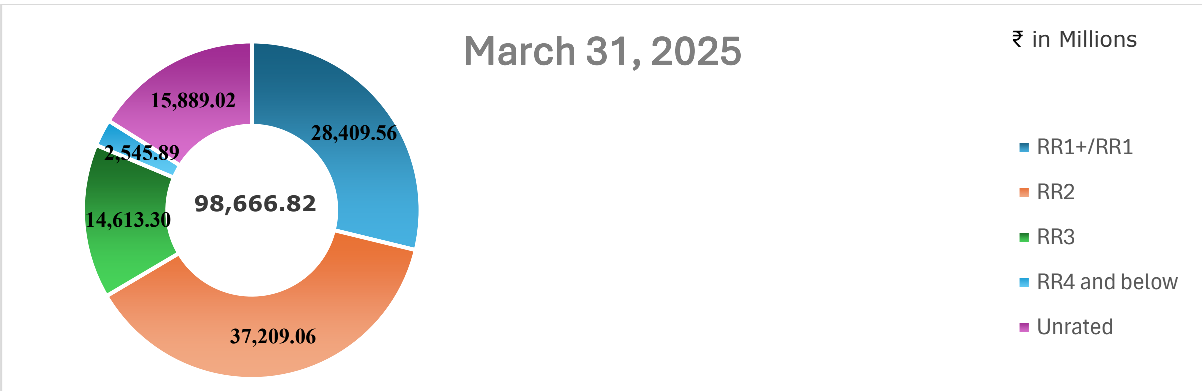
CREDIT RATINGS

Our Company had credit rating of ICRA 'AA- (Stable)' for bank loans and NCDs dated March 20, 2025.

The following pie-chart sets forth the details of the credit ratings of the security receipts issued by trusts that were outstanding for less than eight years, as of March 31, 2025, March 31, 2024 and Mach 31, 2025:







The recovery rating ("**RR**") of security receipts is based on the probability of recovery and such rating is assigned to security receipts based on the net present value of the cash flows expected from the recovery strategy, stated as a percentage of the outstanding face value of the security receipts.

Set forth below are details of our recovery ratings obtained:

Recovery Ratings	Percentage of outstanding rated AUM		
	As of March 31, 2025	As of March 31, 2024	As of March 31, 2023
RR1+(1)/RR1(2)	34.32%	34.33%	33.42%
RR2(3)	44.95%	45.30%	43.49%
RR3(4)	17.65%	15.81%	18.80%
RR4/ RR5(5)	3.08%	4.56%	4.29%
Total	**100.00%**	**100.00%**	**100.00%**
Unrated(6)	Rating is under process		

(1) RR1+: Indicates 150% and above recovery of outstanding face value of SRs.
(2) RR1: Indicates 100% to 150% recovery of outstanding face value of SRs.
(3) RR2: Indicates 75% to 100% recovery of outstanding face value of SRs.
(4) RR3: Indicates 50% to 75% recovery of outstanding face value of SRs.
(5) RR4: Indicates 25% to 50% recovery of outstanding face value of SRs; RR5: Indicates 0% to 25% recovery of outstanding face value of SRs.
(6) An unrated portfolio is on account of new acquisitions which are in the process of being rated.
Note: For SRs over 8 years, the ratings are compulsorily withdrawn based on guidelines prescribed by RBI, except in certain exceptional circumstances, as prescribed by the RBI. In accordance with the guidelines prescribed by RBI, the above table includes certain SRs, where the SRs issued by the trusts managed by us are over 8 years, but where the RBI guidelines allow for such SRs to be rated.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. For further information relating to our related party transactions, see "*Restated Financial Information - Restated Consolidated Financial Information – Note 44 – Related Party Transactions*" and "*Restated Financial Information - Restated Standalone Financial Information – Note 44 – Related Party Transactions*" on pages 338 and 286, respectively.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk, credit risk and liquidity risk, which may impact the fair value of our financial instruments. We have a risk management policy to manage and mitigate these risks.

Market Risk

Market risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of foreign currency risk and interest rate risk. We are primarily exposed to interest rate risk.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in market prices. Market risk comprises of foreign currency risk and interest exposure to the risk of changes in exchange rate as there are no off-shore business transactions.

Interest Rate Risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our investments are primarily in fixed deposits and security receipts issued by trusts. Our exposure to the risk of changes is market rates relates primarily to our debt obligations with floating interest rates. Hence, we are not significantly exposed to interest rate risk.

Credit Risk

Financial instruments that potentially subject us to concentration of credit risk consist principally of trade receivables, unbilled revenue, investment securities and other recoverable from trusts. By their nature, all such financial instruments involve risks, including the credit risk of non-performance by counterparties i.e. trusts. However, our Company being trustee of all the trusts managed by it, the priority of receivables/ outstanding is a priority as per the waterfall mechanism defined trust deed or offer document. Hence, we are not significantly exposed to credit risk.

Liquidity Risk

Liquidity risk is the risk that we will encounter difficulty in meeting our obligations associated with financial liabilities. The investment philosophy of our Company is capital preservation and liquidity in preference to returns. Although the investments in security receipts are not tradable in market, we consistently generate sufficient cash flows from operations and have access to other sources of funding to meet the financial obligations and maintain adequate liquidity for use.

Operational Risk

We control operational risks to ensure that operational losses (financial or reputational), including any related to conduct of business matters, do not cause material damage to our Company.

Reputational Risk

We protect our reputation from material damage by ensuring that any business activity is satisfactorily assessed and managed by the appropriate level of management and governance oversight.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no "unusual" or "infrequent" events or transactions that have in the past or may in the future affect our business operations or future financial performance.

KNOWN TRENDS OR UNCERTAINTIES

Other than as described in "*Risk Factors*" and this "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 40 and 372, respectively, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on our revenue or income from continuing operations.

FUTURE RELATIONSHIPS BETWEEN EXPENDITURE AND INCOME

Other than as described in "*Risk Factors*" on page 40, "*Our Business*" on page 165 and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 372, to our knowledge there are no known factors which we expect will have a material adverse impact on our operations or finances.

NEW PRODUCT OR BUSINESS SEGMENTS

Other than as described in "*Our Business*" on page 165, there are no new products or business segments in which we operate.

COMPETITIVE CONDITIONS

We expect competitive conditions in our industry to further intensify as new entrants emerge and as existing competitors seek to emulate our business model and offer similar products. For further details, please refer to "*Risk Factors*" and "*Our Business*" beginning on pages 40 and 165, respectively.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2025

To our knowledge, no circumstances have arisen since March 31, 2025, that could materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months, except as set out below:

- The Company has granted 635,329 options to employees of the Company under the ARCIL Employee Stock Option Scheme 2025.
- The Company has formed 12 new trusts for a total acquisition price of ₹ 5,120.60 million, out of which the Company's investment is ₹ 2,526.06 million. While these trusts are not subsidiaries as defined under the Companies Act, 2013, our Company's investment in the security receipts of eight of the 12 newly formed trusts is more than 25% of the total investment in security receipts issued by such trusts and accordingly, these 8 trusts are considered as subsidiaries in accordance with IND AS 110 and accounting policies of the Company.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below there are no outstanding (i) criminal proceedings(including matters which are at first information report stage even if no cognizance has been taken by any court) involving our Company, Subsidiaries, Directors, or Promoters (excluding one of our Promoter, State Bank of India which has been disclosed below) (the "**Relevant Parties**"); (ii) all actions taken by statutory or regulatory authorities involving the Relevant Parties (including one of our Promoter, State Bank of India which has been disclosed below) (iii) claims relating to direct and indirect taxes in a consolidated manner, giving the number of cases and total amount, provided that if the amount involved in any such claims exceeds the materiality threshold (as defined below), such matter(s) have been disclosed on an individual basis involving the Relevant Parties (excluding one of our Promoter, State Bank of India which has been disclosed below); and (iv) other pending litigations (including civil litigation or arbitration proceedings) involving the Relevant Parties (including one of our Promoter, State Bank of India which has been disclosed below) which has been determined to be material pursuant to the Materiality Policy (as disclosed herein below). Further, except as disclosed in this section, there are no outstanding (i) criminal proceedings; and (ii) actions by regulatory or statutory authorities involving our Key Managerial Personnel and members of our Senior Management*

Further, except as disclosed in this section, there are no disciplinary actions including penalties imposed by the SEBI or the stock exchanges against our Promoters in the last five Fiscals preceding this Draft Red Herring Prospectus including any outstanding action.

For the purpose of identification of material litigation in (iv) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigation in relation to the Relevant Parties (other than our listed Promoter, State Bank of India) to be disclosed in this Draft Red Herring Prospectus pursuant to the Board resolution dated August 1, 2025:

(a) Company Monetary Threshold: Litigation where the value or expected impact in terms of value of the litigation by or against the Relevant Parties (other than our listed Promoter, State Bank of India) in any such pending proceeding, to the extent quantifiable, exceeds the lower of the following:

i) two percent of turnover, as per the Restated Consolidated Financial Information for the Fiscal 2025 of our Company, being ₹ 121.57 million; or

ii) two percent of net worth, as per the Restated Consolidated Financial Information for the Fiscal 2025 of our Company, being ₹532.63 million; or

*iii) five (5) percent of the average of absolute value of profit or loss after tax of our Company on a consolidated basis, as per the last three financial years Restated Consolidated Financial Information, i.e. financial years 2023, 2024 and 2025, being ₹154.01 million shall be considered material and are included in this Draft Red Herring Prospectus; ("**Company Monetary Threshold**")*

(b) Company Subjective Threshold: Such pending matters where the value or expected impact in terms of value of the litigation are not quantifiable or do not exceed the Company Monetary Threshold, involving the Relevant Parties(other than our listed Promoter, State Bank of India), whose outcome, in the opinion of the Board, would materially and adversely affect the Company's business, prospects, performance, operations, financial position, reputation or cash flows; or such pending matters where the decision in such a matter is likely to affect the decision in similar matters, such that the cumulative value or expected impact in terms of value of such matters exceeds the Company Materiality Threshold, even though the value or expected impact in terms of value of an individual matter may not exceed the Company Materiality Threshold, shall be considered material and are included in this Draft Red Herring Prospectus;

In relation to any other pending litigation, as mentioned in (iv) above, involving SBI, the following would be considered 'material' for the purpose of disclosure in this Draft Red Herring Prospectus, if:

(a) SBI Monetary Threshold: Litigation where the value or expected impact in terms of value of the litigation by or against the State Bank of India in any such pending proceeding, to the extent quantifiable, exceeds the lower of the following:

i) two percent of turnover, as per the audited consolidated financial information for the Fiscal 2025 of State Bank of India, being ₹132,668.66 million; or

ii) two percent of net worth, as per the audited consolidated financial information for the Fiscal 2025 of State Bank of India, being ₹86,172.69 million; or

iii) five percent of the average of absolute value of profit or loss after tax of State Bank of India on a consolidated basis, as per the last three financial years audited consolidated financial information, i.e. financial years

*2023, 2024 and 2025, being ₹33,382.36 million shall be considered material and are included in this Draft Red Herring Prospectus ("**SBI Monetary Threshold**")*

(b) SBI Subjective Threshold: Such pending matters where the value or expected impact in terms of value of the litigation are not quantifiable or do not exceed the SBI Monetary Threshold, involving State Bank of India, whose outcome, in the opinion of the Board, would materially and adversely affect the State Bank of India's or our Company's business, prospects, performance, operations, financial position, reputation or cash flows; or such pending matters where the decision in one matter is likely to affect the decision in similar matters, such that the cumulative value or expected impact in terms of value of such matters exceeds the SBI Materiality Threshold, even though the value or expected impact in terms of value of an individual matter may not exceed the SBI Materiality Threshold, shall be considered material and are included in this Draft Red Herring Prospectus;

Additionally, SBI, from time to time, is involved in various litigation proceedings in the ordinary course of their business. The number of proceedings and disputes in which SBI is involved is not unusual for a bank of their size in the context of doing business in India and in international markets. These legal proceedings involving SBI are primarily in the nature of, amongst others, civil suits, recovery proceedings initiated by them to recover pending dues from their customers against advances made by SBI, criminal cases filed by them in cases of dishonour of cheques or fraud cases, claims against SBI in relation to erroneous or unauthorised debit from customer accounts, wrongful credit or dishonour of cheques, criminal and labour-related proceedings against SBI, claims in relation to repossession of assets by SBI, proceedings initiated under the SARFAESI Act, consumer claims for deficiency in service, claims involving forgery of documents, alleged frauds, and criminal proceedings and tax matters. These legal proceedings may have been initiated by SBI or by its customers, regulators or other parties against SBI, and are pending at different levels of adjudication before various courts, tribunals, enquiry officers and appellate tribunals. Further, certain regulatory and statutory authorities such as the RBI, the banking ombudsman, various tax authorities and other authorities have, in the past, taken action and/or imposed penalties against SBI. These litigations do not have any material adverse effect on the business, prospects, performance, operations, financial position, reputation or cash flows of our Company or SBI.

In relation to (i) above, for the purposes of disclosing outstanding criminal proceedings involving SBI criminal complaints filed by SBI inter-alia, in relation to dishonour of cheques under Section 138 of the Negotiable Instruments Act, 1881 shall be disclosed in a consolidated manner, which are outstanding as on January 15, 2025, including the number of such proceedings and the aggregate amount involved.

In relation to (iii) above, all outstanding claims related to direct and indirect taxes shall be disclosed as on March 31, 2025, in a consolidated manner, including the number of such claims and the aggregate amount involved.

Pre-litigation notices received by the Relevant Parties and Key Managerial Personnel and Senior Management from third parties (excluding those notices issued by governmental, statutory, regulatory, judicial, quasi-judicial or taxation authorities, first information reports ('FIRs') including FIRs where no cognizance has been taken by court) shall, in any event, not be considered as litigation and evaluated for materiality, until such time that Relevant Parties and Key Managerial Personnel and Senior Management are impleaded as defendants in litigation proceedings before any judicial/quasi-judicial/arbitral forum or unless decided otherwise by the board of directors of the Company.

*For identification of material creditors, creditors of our Company (except banks and financial institutions from whom our Company has availed financing facilities) to whom an amount having a monetary value which exceeds 5% of the restated consolidated total trade payables of our Company as of the end of the most recent period covered in the Restated Consolidated Financial Information of the Company, shall be considered as 'material'. Accordingly, creditors of our Company to whom our Company owes an amount exceeding ₹ 0.93 million are considered material ("**Material Creditor**"). Further, for outstanding dues to any party which is a micro, small or medium enterprise ("**MSME**"), the disclosure will be based on information available with the Company regarding the status of the creditor as defined under Micro, Small and Medium Enterprises Development Act, 2006, as amended, read with the rules and notifications thereunder.*

I. Litigation involving our Company

A. Litigation filed by our Company

<u>Material civil litigation</u>

As on the date of this Draft Red Herring Prospectus, there are no material civil litigations filed by our Company.

<u>Criminal proceedings</u>

As on the date of this Draft Red Herring Prospectus, there are no criminal litigations filed by our Company.

B. Litigation filed against our Company

Material civil litigation

As on the date of this Draft Red Herring Prospectus, there are no material civil litigations filed against our Company.

Criminal proceedings

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no criminal litigations filed against our Company:

1. Indostar Capital Finance Limited (the "**Respondent**") had initiated recovery proceedings against M/s M.G. Construction Co. and its partners (the "**Borrowers**") for a defaulted loan facility, which culminated in a possession order granted by the Chief Metropolitan Magistrate, Esplanade, Mumbai (the "**CMM**") on August 28, 2019, under the Section 14 of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (the "**SARFAESI**"). Further, vide an assignment agreement dated September 30, 2019, the Respondent assigned the entire debt to our Company.

   Subsequently, the Respondent's filed a complaint before Metropolitan Magistrate, Dadar, Mumbai, dated July 15, 2019, under Section 138 of the Negotiable Instruments Act, 1881, (the "**NI Act**") where the Respondent's representative filed a verification statement without disclosing the assignment of the debt to our Company in the verification statement. Resultantly, the Additional Sessions Judge of the Sessions Court, of Greater Bombay, Mumbai issued a stay order in relation to the criminal proceedings initiated under Section 138 of NI Act. Additionally, the Borrower alleged that the Respondent falsely claimed to have served valid notice on the deceased person (acting as the guarantor), for the debt owed by the Borrower to the Respondent. Aggrieved by this conduct, the Borrowers have filed applications before the CMM for contempt of court under Section 15 of Contempt of Courts Act, 1971 and for initiating an enquiry under Section 340 read with 195 of CrPC and Section 196, 198, 199 & 200 of IPC against the Respondent, our Chief Executive Officer & Managing Director, Pallav Mohapatra and our Company. The Borrowers contend that the Respondent made false and contradictory statements on affidavit, suppressed material facts, and misled judicial forums. The matter is currently pending.

2. An FIR was filed by Sanjeev Saraswat (the "**Borrower**"), a former director of Peepees International Private Limited against our Company at Connaught Place Police Station, New Delhi on November 13, 2020. The Borrower alleged that, after he resigned as director in 2002, forged documents and personal guarantees in his name were created to wrongfully obtain further loans from M/s Catholic Syrian Bank (the "**Bank**"). The borrower further alleged that these documents were later used by our Company, who acquired the debt from the bank under an assignment agreement dated March 30, 2012, in recovery proceedings before the Debt Recovery Tribunal ("**DRT**"). Subsequently, our Company filed a criminal miscellaneous application under Section 528 of the Bhartiya Nagarik Suraksha Sanhita, 2023 before the High Court of Delhi praying for the quashing of the FIR. Our Company, *inter alia*, submitted that the alleged forged documents were filed by the Bank and that the Company had simply inherited the right to recover the debt. The High Court of Delhi granted interim protection from any coercive action to our Company on May 7, 2025, extending it specifically to our Chief Executive Officer & Managing Director, Pallav Mohapatra under Section 41 (A) of CrPC on May 21, 2025. The matter is still under investigation.

3. A complaint was filed by Shambhu Sharan Pandey, as an authorized representative of 277 workmen of Incab Industries Limited (the "**Complainant**"), before the Chief Judicial Magistrate, Jamshedpur, against the erstwhile directors, shareholders, various financial institutions, and other related parties connected with Incab Industries Limited (the "**Accused**") alleging wide-ranging conspiracy and criminal misconduct by the Accused resulting in, *inter alia*, non-payment of wages to the Complainant. Our Company has been accused of participating in illegal non-performing asset assignments, of the Complainant's debt which was assigned to us, that allegedly violated banking regulations and hence we have been made a party to this dispute. The Complainant further alleged systematic violations of various provisions of the Indian Penal Code, Companies Act, 1956/2013, Banking Regulation Act, 1949, and the Insolvency and Bankruptcy Code, 2016, including offences of criminal breach of trust, cheating, conspiracy, and forgery. The matter is currently pending.

Actions by regulatory and statutory authorities

As on the date of this Draft Red Herring Prospectus, there are no actions by regulatory and statutory authorities against our Company.

Material tax litigation

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no material tax litigations filed against our Company.

The Directorate General of Central Excise Intelligence issued a show cause notice ("**SCN**") dated October 22, 2013, to our Company alleging non-payment of service tax on income received as upside income - management incentive and management fee/trusteeship fee for period from May 16, 2008 to March 31, 2015. Subsequently, two further SCNs were issued by the Commissioner of Service Tax, Mumbai, on March 25, 2015, and March 22, 2016, raising similar demands of a total service tax amounting to a total of ₹458.50 million along with the applicable interest under section 75 of Finance Act, 1994 and penalties imposed under section 76 and 78 of Finance Act, 1994. The extended period of limitation under Section 73(1) has been invoked in the SCNs, alleging suppression of facts with intent to evade tax. Subsequently the Principal Commissioner Service Tax- III, Mumbai adjudicated upon the SCNs and by way of an order dated April 10, 2017 ("**Order**") imposed penalty on our Company and ordered for the recovery of service tax along with interest. Aggrieved by the Order, our Company filed an appeal on July 10, 2017 ("**Appeal**") before the Customs, Central Excise and Services Tax Appellate Tribunal, Mumbai ("**CESTAT**") contesting, inter alia, that the management incentive fee was a share of the profit or return on investment from the underlying assets managed by the trust established by our Company, not a fee for service. Our Company further submitted that there was no provider-service receiver relationship between the trustee and the trust under the amended section 65(105) (zm) of the Finance Act, 1994 as the Trust is managing assets in which it also has a significant investment as a SR holder. While the Appeal was pending, two further SCNs, each dated March 29, 2017 and January 23, 2019, were issued by the Principal Commissioner Service Tax-III and Commissioner of Central Tax & Central Excise, Mumbai Central, respectively, raising similar demands. The Principal Commissioner Service Tax-III adjudicated the SCNs on May 29, 2019 confirming a total demand of ₹ 102.53 million along with interest and penalties imposed. The Company filed a second appeal, on January 2, 2020, on analogous grounds as raised in previous appeal, before the CESTAT. The matter, involving total demand amount of ₹ 561.03 million is currently pending for hearing before the CESTAT.

II. Litigation involving our Subsidiaries

Our Company does not have any subsidiaries as defined under the Companies Act. However, in accordance with Ind AS 110 and our accounting policies, the trusts where our outstanding investment in SRs are more than 25%, have been considered as subsidiaries in the Restated Consolidated Financial Information and have been disclosed as Subsidiaries. Such trusts are set up by our Company for the purposes of acquisition and securitization of financial assets. Provided below are the disclosures of the outstanding material civil litigation, criminal litigation, actions by regulatory and statutory authorities and material tax litigations involving such trusts, being contested through our Company:

A. Litigation filed by our Subsidiaries

<u>*Material civil litigation*</u>

Except as disclosed below, as on the date of this DRHP, there are no material civil litigations filed by our Subsidiaries:

1. Our Company through its trust, Arcil-SBPS 073-I Trust (the "**Trust**"), is party to a recovery proceeding filed against Cethar Limited (the "**Cethar**"), before Debts Recovery Tribunal I, Chennai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Cethar's debt assigned to the Trust. The claim amount is ₹ 168.80 million. The matter is currently pending.

2. Our Company through its trusts, Arcil-SBPS 013-I Trust (now Arcil-SBPS 013-I Trust Scheme B) and Arcil-The Dhar Textile Mills Ltd. Trust (collectively the "**Trusts**"), before Debts Recovery Tribunal-II, Mumbai, is party to a recovery proceeding filed against Dhar Textile Mills Limited (the "**Dhar**") under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Dhar's debt assigned to the Trust. The claim amount is ₹ 3,375.59 million. The matter is currently pending.

3. Our Company through its trust, Arcil-SBPS-041-I-Trust (the "**Trust**"), is party to a recovery proceeding filed against M/s. Easun Products of India Private Limited & Ors. (the "**Easun**"), before Debts Recovery Tribunal-I, Chennai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Easun's debt assigned to the Trust. The claim amount is ₹ 1,950.34 million. The matter is currently pending.

4. Our Company through its trust, Arcil-Indo Deutsche Metallo Chimique-Trust (now Arcil-Indo Deutch Metallo Trust) (the "**Trust**"), is party to a recovery proceeding filed against Indo Deutsche Metallo Chimique Limited (the "**Indo Deutsche**"), before Debts Recovery Tribunal I, Mumbai , under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Indo Deutsche's debt assigned to the Trust. The claim amount is ₹ 674.90 million. The matter is currently pending.

5. Our Company through its trusts, Arcil-JCT III Trust (the "**Trust**"), is party to a recovery proceeding filed against JCT Electronics Limited and Ors. (the "**JCT**"), before Debts Recovery Tribunal-III, Delhi, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to JCT's debt assigned to the Trust. The claim amount is ₹ 2,201.68 million. The matter is currently pending.

6. Our Company through its trust, Arcil-2024C-007-Trust (the “**Trust**”), is party to a recovery proceeding filed against M/s. N Chandra Global Infotainment Limited and others (the “**Chandra Global**”), before Debts Recovery Tribunal-II Mumbai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Chandra Global’s debt assigned to the Trust. The claim amount is ₹193.22 million. The matter is currently pending.

7. Our Company through its trust, Arcil-SBPS-042-I-Trust (the “**Trust**”), is party to a recovery proceeding filed against Najmul Hassan (the “**Najmul’s**”), under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 before Debts Recovery Tribunal-I, Bangalore, for recovery in relation to Najmul’s debt assigned to the Trust. The claim amount is ₹ 134.47 million. The matter is currently pending.

8. Our Company through its trust, Arcil-CPS-II-Trust (the “**Trust**”), is party to a recovery proceeding filed against M/s. Kamala Mills Limited and Ors. (the “**Kamala**”), before Debts Recovery Tribunal-I, Mumbai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of financial debts under the loan agreement, in relation to Kamala’s debt assigned to the Trust. The claim amount is ₹ 1,421.74 million. The matter is currently pending.

9. Our Company through its trusts, Arcil-CPS-002-IX Trust and Arcil Asset Reconstruction Fund-II-Trust-Scheme 1 (collectively the “**Trusts**”), is party to a recovery proceeding filed against Shamken Cotsyn Limited and others (the “**Shamken Cotsyn**”), before Debts Recovery Tribunal-III, Delhi, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Shamken Cotsyn’s debt assigned to the Trust. The claim amount is ₹ 2,015.30 million. The matter is currently pending.

10. Our Company through its trust, Arcil-CPS-002-IX Trust (the “**Trust**”), is party to a recovery proceeding filed against Shamken Multifab Limited (the “**Shamken Multifab**”), before Debts Recovery Tribunal-II, Delhi, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Shamken Multifab’s debt assigned to the Trust. The claim amount is ₹ 3,973.26 million. The matter is currently pending.

11. Our Company through its trust, Arcil-CPS-002-IX Trust (the “**Trust**”), is party to a recovery proceeding filed against M/s. Shamken Multifab Limited and Others (the “**Shamken Multifab**”), before Debts Recovery Tribunal-II, Delhi, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Shamken Multifab’s debt assigned to the Trust. The claim amount is ₹ 334.34 million. The matter is currently pending.

12. Our Company through its trust, Arcil-CPS-002-IX Trust (the “**Trust**”), is party to a recovery proceeding filed against Shamken Spinners Limited and others (the “**Shamken Spinners**”), before Debts Recovery Tribunal-III, Delhi, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Shamken Spinners’ debt assigned to the Trust. The claim amount is ₹ 2,924.13 million. The matter is currently pending.

13. Our Company through its trusts, Arcil-AST-024-II-Trust (the “**Trust**”) is party to a recovery proceeding filed against Spentex Industries Limited & Ors. (the “**Spentex**”), before Debts Recovery Tribunal-III, Delhi, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Spentex’s debt assigned to the Trust. The claim amount is ₹ 1,189.41 million. The matter is currently pending.

14. Our Company through its trusts, Arcil-AST-001-X-Trust (the “**Trust**”) is party to a recovery proceeding filed against Spentex Industries Limited & Ors. (the “**Spentex**”), before Debts Recovery Tribunal-III, Delhi, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Spentex’s debt assigned to the Trust. The claim amount is ₹ 3,024.25 million. The matter is currently pending.

15. Our Company through its trust, Arcil- SBPS-006-VII Trust (the “**Trust**”), is party to a recovery proceeding filed against SPM Automotive Components Private Limited & Ors. (the “**SPM**”), before Debts Recovery Tribunal II, Delhi, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to SPM’s debt assigned to the Trust. The claim amount is ₹ 205.77 million. The matter is currently pending.

16. Our Company through its trust, Arcil-SBPS-I-Trust (the “**Trust**”), is party to a recovery proceeding filed against Trium Logistics India Private (the “**Trium**”), before Debts Recovery Tribunal-III, Mumbai under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Trium’s debt assigned to the Trust. The claim amount is ₹ 138.77 million. The matter is currently pending.

17. Our Company through its trust, Arcil-Uday Estates Pvt. Ltd. Trust is party to a recovery proceeding filed against M/s. Uday Estates Private Limited and Ors. (the “**Uday**”), before Debts Recovery Tribunal-III, Delhi,

under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Uday's debt assigned to the Trust. The claim amount is ₹ 1,081.06 million. The matter is currently pending.

18. Our Company through its trust, Arcil-Vama Exports Ltd. Trust (the "**Trust**"), is party to a recovery proceeding filed against Vama Exports Limited and Ors. (the "**Vama**"), before Debts Recovery Tribunal-I, Ahmedabad, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Vama's debt assigned to the Trust. The claim amount is ₹ 432.21 million. The matter is currently pending.

19. Our Company through its trust, Arcil-2024C-007-Trust (the "**Trust**"), is party to a recovery proceeding filed against M/s. VVA Vision Realtors Private Limited and others (the "**VVA**"), before Debts Recovery Tribunal-II, Mumbai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to VVA's debt assigned to the Trust. The claim amount is ₹ 237.35 million. The matter is currently pending.

20. Our Company through its trust, Arcil-SBPS-I-Trust (the "**Trust**"), is party to a recovery proceeding filed against M/s. Premier Scrap Trading Company and Others (the "**Premier**"), before Debts Recovery Tribunal-II, Mumbai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Premier's debt assigned to the Trust. The claim amount is ₹ 2,176.14 million. The matter is currently pending.

21. Our Company through its trust, Arcil-SBPS-041-I-Trust (the "**Trust**"), is party to a recovery proceeding filed against G.S. Johar & others (personal guarantors to C&C Constructions Limited) (the "**G.S. Johar**"), before Debts Recovery Tribunal-III, Delhi, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to G.S. Johar's debt assigned to the Trust. The claim amount is ₹ 1,599.33 million. The matter is currently pending.

22. Our Company through its trust, Arcil Mukerian Paper Limited Trust (the "**Trust**"), is party to a recovery proceeding filed against Mukerian Papers Limited & Another (the "**Mukerian**"), before Debts Recovery Tribunal III, Delhi, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Mukerian's debt assigned to the Trust. The claim amount is ₹ 1,399.59 million. The matter is currently pending.

23. Our Company through its trust, Arcil-SBPS 073-I Trust (the "**Trust**"), is party to a recovery proceeding filed against Champalal Motilal Steel Company Private Limited and Others, (the "**Champalal Motilal**") before Debts Recovery Tribunal I, Mumbai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Champalal Motilal's debt assigned to the Trust . The claim amount is ₹ 572.20 million. The matter is currently pending.

24. Our Company through its trust, Arcil-2024C-007-Trust (the "**Trust**"), is party to a recovery proceeding filed against M/s. J J Poly Impex Private Limited and Others (the "**J J Poly**"), before Debts Recovery Tribunal II, Mumbai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to J J Poly's debt assigned to the Trust. The claim amount is ₹ 529.24 million. The matter is currently pending.

25. Our Company through its trust, Arcil-2024C-007-Trust (the "**Trust**"), is party to a recovery proceeding filed against Aneeka Universal Private Limited (the "**Aneeka**"), before Debts Recovery Tribunal I, Mumbai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Aneeka's debt assigned to the Trust. The claim amount is ₹ 447.38 million. The matter is currently pending.

26. Our Company through its trust, Arcil-SBPS 073-I Trust (the "**Trust**"), is party to a recovery proceeding filed against Neo Sports Broadcast Private Limited (the "**Neo Sports**"), before Debts Recovery Tribunal II, Mumbai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Neo Sports' debt assigned to the Trust. The claim amount is ₹ 321.30 million. The matter is currently pending.

27. Our Company through its trust, Arcil-SBPS 073-I Trust (the "**Trust**"), is party to a recovery proceeding filed against Vishwanaath Agro Products International (the "**Vishwanaath**") before Debts Recovery Tribunal III, Chennai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Vishwanaath's debt assigned to the Trust. The claim amount is ₹ 304.14 million. The matter is currently pending.

28. Our Company through its trust, Arcil-International Sree Balaji Hotels Private Limited Trust (the "**Trust**"), is party to a recovery proceeding filed against International Sree Balaji Hotels Private Limited and Ors. (the "**International Sree Balaji**") before Debts Recovery Tribunal -II, Chennai under Section 19 of the Recovery

of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to International Sree Balaji's debt assigned to the Trust . Further, on the receipt of the recovery certificate, the Company has initiated the process of recovery under the Recovery of Debts and Bankruptcy Act, 1993. The claim amount is ₹235.04 million. The matter is currently pending.

29. Our Company through its trust, Arcil-Trust-2025C-005 (the "**Trust**"), is party to a recovery proceeding filed against M/s. Ashvi Developers Private Limited & Ors. (the "**Ashvi**"), before Debts Recovery Tribunal I, Mumbai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Ashvi's debt assigned to the Trust. The claim amount is ₹ 2,877.77 million. The matter is currently pending.

30. Our Company through its trust, Arcil-SBPS 073-I Trust(the "**Trust**"), is party to a recovery proceeding filed against M/s. Zillion Infra Projects Private Limited and Ors (the "**Zillion**"), before Debts Recovery Tribunal II Delhi, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Zillion's debt assigned to the Trust. The claim amount is ₹ 319.21 million. The matter is currently pending.

31. Our Company through its trusts, Arcil-CPS-008-II Trust and Arcil-SBPS-041-I-Trust (collectively the "**Trusts**"), is party to a recovery proceeding filed against Coastal Projects Limited (the "**Coastal Project**"), before Debts Recovery Tribunal II Hyderabad, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Coastal Project's debt assigned to the Trust. The claim amount is ₹ 3,413.19 million. The matter is currently pending.

32. Our Company through its trust, Arcil-AST-001-XI-Trust (the "**Trust**"), is party to a recovery proceeding filed against M/s. Unijules Life Sciences Limited and Ors. (the "**Unijules**"), before Debts Recovery Tribunal I, Mumbai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Unijules' debt assigned to the Trust. The claim amount is ₹ 816.92 million. The matter is currently pending.

33. Our Company through its trust, Arcil-SBPS-I-Trust (the "**Trust**"), is party to a recovery proceeding filed against M/s BBS Exports & Ors. (the "**BBS Exports**") under Section 19 before Debts Recovery Tribunal III, Chandigarh, of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to BBS Exports' debt assigned to the Trust. The claim amount is ₹ 190.14 million. Th matter is currently pending.

34. Our Company through its trusts, Arcil-BPL Display Devices Limited-I Trust, Arcil-SBPS-025-I Trust, Arcil-SBPS-027-I Trust (collectively the "**Trusts**"), is party to a recovery proceeding filed against BPL Display Devices Limited (the "**BPL Display**"), before Debts Recovery Tribunal III, New Delhi, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to BPL Display's debt assigned to the Trust. The claim amount is ₹ 3,010.83 million. The matter is currently pending.

35. Our Company through its trust, Arcil-SBPS 073-I Trust (the "**Trust**"), is party to a recovery proceeding filed against M/s. K & K Jewellers, before Debts Recovery Tribunal I, Mumbai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to M/s. K & K Jewellers' debt assigned to the Trust. The claim amount is ₹ 188.27 million. The matter is currently pending.

36. Our Company through its trust, Arcil-SBPS-I-Trust (the "**Trust**"), is party to a recovery proceeding filed against Western Hasmukh Marketing Private Limited (the "**Western Hasmukh**"), before Debts Recovery Tribunal I Mumbai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Western Hasmukh's debt assigned to the Trust. The claim amount is ₹ 165.50 million. The matter is currently pending.

37. Our Company through its trusts, Arcil-MVR-I Trust, Arcil-MVR-II Trust, Arcil-MVR III Trust, Arcil-SBPS 013-I Trust-Scheme B, and Arcil-AARF-I-2 Trust (collectively the "**Trusts**"), is party to a recovery proceeding filed against MVR Industry Limited and Ors (the "**MVR Industry**") before Debts Recovery Tribunal-III, Chennai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Maxwell's debt assigned to the Trust. Aggrieved by the decree on the original application which reduced the rate of interest recoverable by the Company, our Company filed an appeal to the Debts Recovery Appellant Tribunal, Chennai (the "**Appeal**"), which was subsequently dismissed. Restoration applications have been filed by our Company for restoring the dismissed Appeal before Debts Recovery Appellant Tribunal, Chennai. The claim amount is ₹ 2,389.96 million. The matter is currently pending.

38. Our Company through its trusts, Arcil-MVR-I Trust, Arcil-MVR-II Trust, Arcil-MVR -III Trust, Arcil-SBPS 013-I Trust-Scheme B, and Arcil-AARF-I-2 Trust (collectively the "**Trusts**"), is party to a recovery proceeding filed against Maxwell Exim Foods Limited and Ors (the "**Maxwell**") before Debts Recovery Tribunal-III, Chennai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Maxwell's debt assigned to the Trust. Aggrieved by the decree on the original application

which reduced the rate of interest recoverable by the Company, our Company filed appeal to the Debts Recovery Appellant Tribunal, Chennai (the "**Appeal**") which was subsequently dismissed. Restoration applications have been filed by our Company for restoring the dismissed Appeal before Debts Recovery Appellant Tribunal, Chennai. The claim amount is ₹ 277.32 million. The matter is currently pending.

39. Our Company through its trusts, Arcil-MVR-I Trust, Arcil-MVR-II Trust, Arcil-MVR -III Trust, Arcil-SBPS 013-I Trust-Scheme B, and Arcil-AARF-I-2 (collectively the "**Trusts**"), is party to a recovery proceeding filed against Maxwell Exim Foods Limited and Ors before Debts Recovery Tribunal-III, Chennai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Maxwell's debt assigned to the Trust. The claim amount is ₹ 531.83 million. The matter is currently pending.

40. Our Company through its trusts, Arcil-MVR-I Trust, Arcil-MVR-II Trust, Arcil-MVR -III Trust, Arcil-SBPS 013-I Trust-Scheme B, and Arcil-AARF-I-2 (collectively the "**Trusts**"), is party to a recovery proceeding filed against Maxwell Exim Foods Limited and Ors before Debts Recovery Tribunal-III, Chennai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Maxwell's debt assigned to the Trust. The claim amount is ₹ 4,118.83 million. The matter and the restoration application is currently pending.

41. Our Company through its trusts, Arcil-CPS-002-VII Trust (now Arcil-CPS-002-VII Trust-Scheme C), Arcil-PSL-III Trust, Arcil-Parasrampuria Synthetics Limited Trust, and Arcil-PSL-IV Trust (collectively the "**Trusts**"), is party to a recovery proceeding filed against Parasrampuria Synthetics Limited and Ors. (the "**Parasrampuria**") before Debts Recovery Tribunal-III, Delhi, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Parasrampuria's debt assigned to the Trust. The claim amount is ₹1,453.33 million. The matter is currently pending.

42. Our Company through its trusts, Arcil-CPS-002-VII Trust (now Arcil-CPS-002-VII Trust-Scheme C), Arcil-PSL-III Trust, Arcil-Parasrampuria Synthetics Limited Trust, and Arcil-PSL-IV Trust (collectively the "**Trusts**"), is party to a recovery proceeding filed against Parasrampuria Synthetics Limited and Ors. (the "**Parasrampuria**") before Debts Recovery Tribunal-I, Delhi, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Parasrampuria's debt assigned to the Trust. The claim amount is ₹ 242.27 million.

43. Our Company through its trust, Arcil-2024C-007-Trust (the "**Trust**"), is party to a recovery proceeding filed against GEI Power Limited (the "**GEI**") before Debts Recovery Tribunal, Jabalpur, (the "**DRT**") under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to GEI's debt assigned to the Trust. The claim amount is ₹ 133.23 million. Corporate insolvency resolution process has been initiated against GEI and the DRT has been intimated by the resolution professional about the same. The matter is currently pending.

44. Our Company through its trust, Arcil-SBPS 002-I Trust (now Arcil-SBPS 002-I Trust-Scheme B2) (the "**Trust**"), is party to a recovery proceeding filed against ICICON Electronics & Ors (the "**ICICON**") before Debts Recovery Tribunal, Ahmedabad, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to ICICON's debt assigned to the Trust. The claim amount is ₹268.37 million. The case is adjourned sine die and is currently pending.

45. Our Company through its trust, Arcil-CPS-041-I-Trust (the "**Trust**"), is party to a recovery proceeding filed against Kiran Overseas Exports Limited & Ors. (the "**Kiran**") before Debts Recovery Tribunal-II, Delhi, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Kiran's debt assigned to the Trust. The claim amount is ₹382.16 million. The matter is currently pending.

46. Our Company through its trust, Arcil-SBPS 073-I Trust (the "**Trust**"), is party to a recovery proceeding filed against Srimauli Infrastructure Private Limited (the "**Srimauli**") before Debts Recovery Tribunal-II, Mumbai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Srimauli's debt assigned to the Trust. The claim amount is ₹ 252.34 million. The matter is currently pending.

47. Our Company through its trust, Arcil-AARF-II-Trust-Scheme 1 (the "**Trust**"), is party to a recovery proceeding filed against Sridevi Hospitals and Ors (the "**Sridevi**") before Debts Recovery Tribunal – I, Chennai under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Sridevi's debt assigned to the Trust. The claim amount is ₹ 337.47 million. The matter is currently pending.

48. Our Company through its trust, Arcil-SBPS-I-Trust (the "**Trust**"), is party to a recovery proceeding filed against M/s BBS Hoisery Works & Ors (the "**BBS Hoisery**") before Debts Recovery Tribunal -III, Chandigarh under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in

relation to BBS Hoisery's debt assigned to the Trust. The claim amount is ₹ 145.67 million. The matter is currently pending.

49. Our Company through its trust, Arcil-Daewoo Motors India Ltd Trust (the "**Trust**"), is party to a recovery proceeding filed against M/s. Daewoo Motors India Limited (the "**Daewoo**"), before Debts Recovery Tribunal III, New Delhi, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Daewoo's debt assigned to the Trust. The claim amount is ₹ 1,018.00 million. The matter is currently pending.

50. Our Company through its trust, Arcil-Daewoo Motors India Ltd Trust (the "**Trust**"), is party to a recovery proceeding filed against M/s. Daewoo Motors India Limited (the "**Daewoo**"), before Debts Recovery Tribunal II, New Delhi, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Daewoo's debt assigned to the Trust. The claim amount is ₹ 1,110.16 million. The matter is currently pending.

51. Our Company through its trust, Arcil-Daewoo Motors India Ltd Trust (the "**Trust**"), is party to a recovery proceeding filed against M/s. Daewoo Motors India Limited (the "**Daewoo**"), before Debts Recovery Tribunal II, Mumbai, under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 for recovery of dues in relation to Daewoo's debt assigned to the Trust. The claim amount is ₹ 5,110.28 million. The matter is currently pending.

52. On February 9, 2018, CLC Industries Limited (the "**CLC**") filed a complaint with Competition Commission of India (the "**CCI**") against Grasim Industries Limited (the "**Grasim**") for refusing to supply Viscose Staple Fiber (VSF) to CLC, a key customer. CLC alleged that Grasim, by exploiting its dominant market position caused financial distress to CLC which led to its admission into a Corporate Insolvency Resolution Process ("**CIRP"**) by the National Company Law Tribunal ("**NCLT**") on January 3, 2020. Subsequently, the CCI issued orders on August 6, 2021, confirming that Grasim had abused its dominant market position by engaging in discriminatory pricing and denial of market access, directly harming CLC. The CIRP concluded with the NCLT's approval of a resolution plan on May 12, 2023, (the "**Resolution Plan**") which explicitly authorized our Company, as a major secured creditor, to initiate legal proceedings to recover the damages suffered by CLC. Resultantly, our Company through its trusts, Arcil-AST-001-X-Trust and ARCIL-AST-024-II-TRUST has filed a commercial suit against Grasim before Hight Court of Bombay under Section 12 of Commercial Court Act, 2015 for recovery of monies. The central issues are whether Grasim's established anti-competitive conduct directly caused CLC's financial ruin and the quantum of damages recoverable by our Company under the approved Resolution Plan. The claim amount is ₹3,168.00 million. The matter is currently pending.

Criminal proceedings

Except as disclosed below, as on the date of this DRHP, there are no criminal proceedings filed by our Subsidiaries:

1. Our Company through its trust, Arcil-The Dhar Textile Mills Ltd. (the "**Dhar Textiles**") Trust has filed a complaint against Dhar Textiles before Chief Metropolitan Magistrate Court, Dadar, Mumbai under Section 138 of Negotiable Instrument Act, 1881 in connection with the dishonour of cheque by Dhar Textiles. The claim amount is ₹26.50 million. The matter is currently pending.

2. Our Company through its trusts, Arcil-CPS-002-IX Trust, and Arcil-SBPS 022-I TrustScheme A1 has filed a complaint against Shamken Spinners before Chief Metropolitan Magistrate Court, Delhi under Section 138 of Negotiable Instrument Act, 1881 in connection with the dishonour of cheque by Shamken Spinners. The claim amount is ₹7.64 million. This matter is currently pending.

3. Our Company through its trust, Arcil-2024C-007-Trust has filed a complaint against Sham Shashikant Adgaonkar before Metropolitan Magistrate's Court, Bhoiwada, Maharashtra, under Section 138 of Negotiable Instrument Act, 1881 in connection with the dishonour of cheque by Sham Shashikant Adgaonkar. The claim amount is ₹18.45 million. The matter is currently pending.

4. The Standard Chartered Bank had filed a complaint (the "**Complaint**") against Coastal Projects Limited ("**Respondent**") under Section 138 of Negotiable Instruments Act, 1881 in connection with the dishonour of cheque of ₹ 150.00 million by Respondent. On December 6, 2018 the National Company Law Tribunal, Kolkata passed an order directing for the appointment of an official liquidator (the "**Liquidator**") for the Respondent. Subsequently our Company (currently represented through its trusts, Arcil-CPS-008-II-Trust and Arcil-SBPS-041-I-Trust) was assigned the debt by order of the III Metropolitan Magistrate Court, George Town, Chennai dated September 21, 2022 and the Respondent was sold as a going concern under liquidation. On April 29, 2025 the III Metropolitan Magistrate, Chennai passed an order ("**Order**") convicting the Respondent and the Respondent's

Liquidator and imposed a fine on the Liquidator for the dishonour of cheque issued by the Respondent. Aggrieved by the Order, the Respondent and the Respondent's Liquidator have filed an appeal under Section 415 of Bharatiya Nagarik Suraksha Sanhita, 2023 for seeking waiver of the cost imposed on the Respondent's Liquidator and removal of liability upon the Respondent and the Respondent's Liquidator to pay fine for cheque bounce. The matter is currently pending.

5. M/s Development Credit Bank Ltd (the "**DCB**") (who has assigned the Respondent's debt to our Company's Trusts, Arcil-CPS-002-IX Trust, Arcil-CPS 017-I Trust, Arcil-SBPS 023-I Trust and Arcil-SBPS 022-I Trust Scheme A1) filed a complaint before SCJ-CUM-RC, Patiala House Court, New Delhi ("**SCJ-CUM-RC**") against Shamken Spinners Limited ("**Respondent**") under Section 138 of Negotiable Instruments Act, 1881 in connection with the dishonour of cheque. The SCJ-CUM-RC, passed an order dated April 3, 2018 without deciding the objections raised by the Respondent and concluded the cross-examination. Subsequently, the Respondent filed a revision petition against the order of the SCJ-CUM-RC before the Special Judge Patiala House Courts, New Delhi, which was dismissed by way of an order dated May 16, 2018 ("**Order**"). Aggrieved by the Order, the Respondent has filed a quashing petition before the Hon'ble Delhi High Court under Section 482 of Criminal Procedure Code, 1973 for quashing the complaint filed under section 138 of Negotiable Instruments Act, 1881. The matter is currently pending.

B. Litigation filed against our Subsidiaries

Material civil litigation

As on the date of this DRHP, there are no material civil litigations filed against our Subsidiaries.

Criminal proceedings

As on the date of this DRHP, there are no criminal proceedings filed against our Subsidiaries.

Actions by regulatory and statutory authorities

As on the date of this DRHP, there are no actions by regulatory and statutory authorities against our Subsidiaries.

Material tax litigation

As on the date of this DRHP, there are no there are no material tax litigations filed against our Subsidiaries.

III. Litigation involving our Directors

A. Litigation filed by our Directors

Material civil litigation

As on the date of this Draft Red Herring Prospectus, there are no material civil litigations filed by our Directors.

Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings filed by our Directors.

B. Litigation filed against our Directors

Material civil litigation

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no material civil litigations filed against our Directors:

Shiv Kumar Kanoi ("**Plaintiff**") filed a commercial suit before the Commercial Court at Alipore ("**Court**") for, *inter alia*, recovery of possession and declaration of injunction against Central Bank of India ("**Bank**") and others, in relation to certain property of the Plaintiff ("**Property**"), of which the Bank acquired possession. Mr. Pallav Mohapatra was also impleaded as a defendant in the matter in his capacity as the then managing director and chief executive officer of Central Bank of India. The Plaintiff alleged that, in spite of expiry of the lease agreement ("**Agreement**"), the Bank failed to vacate the Property. Moreover, the Bank issued a sale notice for the Property (in capacity of a mortgagee). The Court, by way of an order May 16, 2025 granted an interim injunction. The matter is currently pending.

Criminal proceedings

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no criminal proceedings filed against our Directors:

1. Ravindra Pandey ("**Complainant**") filed a criminal complaint under Section 156(3) of the CRPC ("**Complaint**") before the Chief Judicial Magistrate, Auraiya ("**CJM**") against Pratap Singh Mehra & others ("**Accused**"), wherein Pallav Mohapatra was also impleaded as a party in his capacity as the then Chief Managing Director, Central Office Mumbai of Central Bank of India ("**Bank**"). The Complainant alleged, *inter alia*, various irregularities in the issuance of loans by the Bank. Subsequently, pursuant to order dated December 9, 2022, CJM directed Auraiya Police Station to lodge a first information report. Accordingly, a First Information Report ("**FIR**") was lodged before the Auraiya Police Station under, *inter alia*, section 166, 167, 419, 420, 467, 471 and 477-A of the IPC against the Accused persons including Pallav Mohapatra in his capacity as the then Chief Managing Director, Central Office Mumbai of Central Bank of India. Aggrieved by the FIR, the Accused filed a Writ Petition before the Allahabad High Court ("**High Court**") praying for the quashing of the FIR. The High Court, by way of an order dated April 8, 2024 disposed of the writ petition directing the police to make no arrests until the investigation in the matter was completed. The matter in respect of the subject FIR is currently pending.

2. Subir Biswas ("**Complainant**") filed a written complaint, registered as a zero first information report against Pallav Mohapatra, Managing Director and CEO of the Company ("**MD and CEO**"), at Bhowanipore Police Station on June 28, 2023 which was further transferred to Alipur Police Station and registered as first information report ("**F.I.R**") under Section 120B, 420, 467, 469, 471 of Indian Penal Code, 1860 on July 7, 2023. As per the F.I.R, it was alleged that the Company fraudulently submitted forged documents and a false affidavit, before the District Magistrate leading to the execution of a 'no stay order' and 'no tenancy' against the Complainant in relation to a certain secured property of the Complainant. ("**Property**") The MD and CEO, filed a petition on July 24, 2023 in the Calcutta High Court ("**High Court**") praying for the quashing of the proceedings emanating from the F.I.R. on the ground that he was not the authority approving every transaction of the Company. Furthermore, the MD and CEO submitted that the Company had acted relying on the representations and warranties provided in the assignment agreement of the said Property. The High Court stayed the F.I.R. proceedings by way of an order dated August 23, 2023. The matter is pending before the High Court.

We have two outstanding criminal proceedings involving both our Company and our key managerial personnel Pallav Mohapatra, Managing Director and CEO. For details, see "- *Litigation filed against our Company- Criminal proceedings*" on page 416.

Actions by regulatory and statutory authorities

As on the date of this Draft Red Herring Prospectus, there are no actions by regulatory and statutory authorities against our Directors.

Material tax litigation

As on the date of this Draft Red Herring Prospectus, there are no material tax litigations filed against our Directors.

IV. Litigation involving our Promoters

A. Litigation filed by our Promoters

Material civil litigation

State Bank of India

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no material civil litigations filed by our Promoter, State Bank of India:

1. Punjab National Bank ("**PNB**") filed an application under Section 7 of the IBC before the NCLT, New Delhi for initiation of corporate insolvency resolution process against Bhushan Power and Steel Limited ("**BPSL**"), which application was admitted on July 26, 2017. Pursuant to the claims received by the creditors including State Bank of India, the resolution professional admitted claims of financial creditors for an amount of ₹472.05 billion against BPSL. Subsequently, a committee of creditors ("**CoC**") was constituted in which State Bank of India was a member. JSW Steel Limited filed a resolution plan ("**Resolution Plan**") which was approved by the CoC and subsequently by the NCLT *vide* its order dated September 5, 2019 ("**NCLT Order**"). Thereafter, the Directorate of Enforcement passed an order dated October 10, 2019 ("**Provisional Order**") provisionally attaching the assets of BPSL under Section 5 of the Prevention of Money Laundering Act, 2002. The NCLAT *vide* its order dated

October 14, 2019 imposed a stay on the Provisional Order as well as the resolution plan so far as it related to the payment of creditors. Thereafter, the NCLAT *vide* its order dated February 17, 2020 ("**NCLAT Order**") affirmed the NCLT Order with certain modifications and clarifications noting that *inter alia* protection of properties from attachment under Section 32A of the IBC is available to JSW.

Kalyani Transco ("**Operational Creditor**") and Sanjay Singhal and Arti Singhal ("**Erstwhile Promoters of BPSL**") filed an appeal against the NCLAT Order before the Supreme Court challenging the applicability of protection under 32A of the IBC. The Supreme Court *vide* its order dated May 2, 2020 ("**Impugned Judgement**") set aside the NCLAT Order and consequently rejected the Resolution Plan for *inter alia* not being in conformity with Sections 30(2) and 31(2) of the IBC. State Bank of India and PNB have filed review petitions each dated July 3, 2025 before the Supreme Court of India against (a) the Operational Creditor and others; and (b) the Erstwhile Promoters of BPSL and others, contending that the Impugned Judgement has *inter alia* erroneously quashed and set aside the NCLAT Order. The matter is currently pending.

2. Aircel Cellular Limited and Dishnet Wireless Limited (collectively referred to as "**Aircel Entities**") availed term loan facility from certain domestic lenders of an amount of ₹137.29 billion, including a term loan of ₹39.00 billion from State Bank of India. The Aircel Entities started defaulting in repayment of debts owed to their domestic lenders including State Bank of India. Consequently, Aircel Entities filed an application dated February 12, 2018 under Section 10 of the IBC for initiation of the corporate insolvency resolution process. Subsequently, a committee of creditors ("**CoC**") was constituted in which State Bank of India was a member. UV Asset Reconstruction Company Limited filed a resolution plan ("**Resolution Plan**") which was approved by the CoC and subsequently by the NCLT *vide* its order dated June 9, 2020 ("**NCLT Order**").

   Thereafter, the Supreme Court of India referred specific questions of law regarding the bona fides of telecom insolvencies to the National Company Law Appellate Tribunal, Principal Bench, New Delhi ("**NCLAT**") for adjudication, which subsequently issued the order dated April 13, 2021 ("**Impugned Order**"). Aggrieved by the Impugned Order, State Bank of India acting on behalf of the committee of creditors of Aircel Entities filed a civil appeal on May 4, 2021("**Appeal**") before the Supreme Court of India against the Union of India, Vijaykumar V. Iyer, erstwhile resolution professional of Aircel Entities, and UV Asset Reconstruction Company Limited, resolution applicant of Aircel Entities, under Section 62 of the IBC. The matter is currently pending.

3. State Bank of India as part of a consortium of lenders, filed an original application on July 6, 2018 ("**OA**") before the Debt Recovery Tribunal II, Ahmedabad against Ashok B. Jiwrajka and others ("**Respondents**") under Section 19 of the RDB for recovery of outstanding dues arising from credit facilities extended to Alok Industries Limited ("**Borrower**"). The facilities, totaling ₹82.17 billion, were *inter alia* secured by personal guarantees furnished by the individual Respondents ("**Personal Guarantee**") and corporate guarantees furnished by Alok Infrastructure Limited and Alok Knit Exports Private Limited ("**Corporate Guarantee**" and together with the Personal Guarantee, "**Guarantees**"), along with mortgages and hypothecation of certain properties and assets of the Borrower. Following defaults, the Borrower's account was classified as a non-performing asset ("**NPA**") on March 31, 2015. State Bank of India invoked the Guarantees on February 27, 2018, and filed the OA seeking *inter alia* recovery of ₹120.79 billion with further interest and enforcement of Guarantees. Separately, State Bank of India filed a company petition ("**Company Petition**") under Section 7 of the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal, Ahmedabad Bench ("**NCLT**"), against the Borrower on June 29, 2017 for initiation of the corporate insolvency resolution process ("**CIRP**"). The NCLT vide its order dated July 18, 2017 admitted the Company Petition against the Borrower. Consequently, the corporate insolvency resolution process commenced on July 18, 2017 and a moratorium as contemplated under Section 14 of the Insolvency and Bankruptcy Code, 2016 was declared against the Borrower. Thereafter, the resolution plan was approved by the NCLT vide its order dated March 8, 2019. The OA is currently pending.

Criminal proceedings

State Bank of India

There are several criminal complaints filed by State Bank of India before various forums in relation to, inter alia, dishonour of cheques and electronic funds transfer under Section 138 of the Negotiable Instruments Act, 1881 and Section 25 of the Payment and Settlement Systems Act, 2007. The matters are at different stages of adjudication and are currently pending. Further, State Bank of India has filed several complaints against customers before various forums in relation to, inter alia, non-payment of instalments in relation to loans availed by the customers under, inter alia, Sections 406, 420, 403, of the IPC. The matters are at various stages of adjudication and are currently pending. In the ordinary course of business, State Bank of India, from time to time initiates recovery proceedings under various provisions of the SARFAESI Act and rules thereunder including the Security Interest (Enforcement) Rules, 2002, each as amended, before various courts, tribunals and judicial fora in relation to recovery of dues against our customers and other persons in connection with non-repayment of dues. These matters are currently pending at different stages of adjudication before various fora.

Further, as on January 15, 2025, there are approximately 4,519 criminal complaints filed by State Bank of India aggregating to approximately ₹ 2,963.8 million before various forums in relation to, inter alia, dishonour of cheques under Section 138 of the Negotiable Instruments Act, 1881. The matters are at different stages of adjudication and are currently pending.

B. Litigation filed against our Promoters

Material civil litigation

State Bank of India

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no material civil litigations filed against our Promoter, State Bank of India:

1. Videocon Group ("**V Group**") availed term loan facility from certain domestic lenders for an amount of ₹592.59 billion, including a term loan of ₹114.87 billion from State Bank of India. The V Group started defaulting in repayment of debts owed to their domestic lenders including State Bank of India. Owing to defaults committed by the V Group, the State Bank of India along with certain domestic lenders ("**Consortium Banks**") filed petitions against the V Group before National Company Law Tribunal, Mumbai. Consequently, the Consortium Banks filed an application under Section 7 of the IBC dated October 24, 2018 before the NCLT, Mumbai for initiation of corporate insolvency resolution process against the V Group. Subsequently, a committee of creditors ("**CoC**") was constituted in which State Bank of India was a member. Twin Star Technologies Limited ("**Resolution Applicant**") filed a resolution plan ("**Resolution Plan**") which was approved by the CoC and subsequently by the NCLT *vide* its order dated June 8, 2021 ("**NCLT Order**"). The Resolution Plan was challenged by the Consortium Banks and others before the National Company Law Appellate Tribunal, Principal Bench, New Delhi ("**NCLAT**"). The NCLAT passed an order dated July 19, 2021 ("**Impugned Order**") staying the NCLT Order. Thereafter, Resolution Applicant filed a civil appeal dated May 4, 2021 ("**Appeal**") before the Supreme Court of India against Consortium Banks and others challenging the Impugned Order. The matter is currently pending.

2. Venugopal Dhoot ("**Appellant**") has filed a company appeal against VOVL Limited ("**VOVL**"), Videocon Industries Limited ("**VIL**"), Committee of Creditors of VOVL (led by State Bank of India) and others before the National Company Law Appellate Tribunal, New Delhi Bench, New Delhi ("**NCLAT**") under Section 61 of the IBC against the order dated June 26, 2024 ("**Order**") passed by the National Company Law Tribunal, Mumbai Bench ("**NCLT**"). The NCLT vide the Order rejected the application made by the Applicant seeking rejection of the resolution plan submitted by Bharat Petroleum Corporation Limited for VOVL and permitted the resolution plan for VOVL to proceed, including the sale of foreign oil and gas assets. Further, the Tribunal restored the status quo order dated August 22, 2019 passed by the NCLAT which restrained State Bank of India from dealing with the foreign oil and gas assets. The matter is currently pending.

3. Parekh Platinum Limited ("**Plaintiff**") has filed a suit for compensation dated March 16, 2011, against State Bank of India and others ("**Defendants**") before the City Civil Court, Ahmedabad and prayed to the court to pass a decree for, *inter alia*, holding the Defendants jointly and severally liable and ordering them to pay an amount of ₹34.63 billion with interest at the rate of 12% per annum from the date of the suit until realization in favour of the Plaintiff. The Plaintiff had availed certain facilities from a consortium of lenders including State Bank of India. In lieu of the Plaintiff's inability to repay the facilities, the lead bank of the consortium appointed a special investigation auditor ("**SIA**") for carrying out an investigation into the affairs of State Bank of India. Based on the report prepared by the SIA, credit facilities granted to the Plaintiff by the consortium were withdrawn and the Plaintiff was classified as a sick unit by the Board for Industrial and Financial Reconstruction. The Plaintiff claimed that it suffered losses to the extent of ₹34.63 billion because of the conspiracy of the Defendants to enlist the services of the SIA and other such wrongful actions of the Defendants. The matter is currently pending.

Criminal proceedings

State Bank of India

As on the date of this DRHP, there are criminal proceedings against SBI that are pending at different levels of adjudication before various courts, tribunals, enquiry officers and appellate tribunals.

Actions by regulatory and statutory authorities

As on the date of this DRHP, there are no actions by regulatory and statutory authorities filed against our Promoters.

Material tax litigation

Avenue India Resurgence Pte. Ltd.

A show cause notice dated March 31, 2025, was issued by the Assistant Commissioner of Income Tax, New Delhi under Section 148A(1) of the Income-tax Act, 1961, to Avenue India Resurgence Pte. Ltd ("AIRPL") alleging that AIRPL had not paid income tax on income earned by AIRPL in relation to the transaction involving purchase of Equity Shares of the Company for an amount aggregating to ₹ 650.43 million. By way of a reply dated April 21, 2025, AIRPL has stated that the transaction in question was in the nature of remittance of purchase consideration for purchase of shares and not receipt of remittance by the Company. Accordingly, AIRPL has not earned any income in relation to such purchase of Equity Shares and therefore is not liable to tax. The matter is currently pending.

Disciplinary actions including penalty imposed by the SEBI or Stock Exchanges against our Promoters in the last five Fiscals

As on the date of this DRHP, there are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges filed against our Promoters.

V. Litigation involving our Key Managerial Personnel and Senior Management

A. Litigation filed by our Key Managerial Personnel and Senior Management

Criminal proceedings

As on the date of this DRHP, there are no criminal proceedings filed by our Key Managerial Personnel and Senior Management.

B. Litigation filed against our Key Managerial Personnel and Senior Management

Criminal proceedings

Nitesh R. Patani ("**Complainant**") filed a private complaint against Ameet Ashok Kela, Company Secretary and Compliance Officer, and other officials of our Company (collectively, "**Respondents**") under Section 405, 409, 215, 420, 503 and 120B of Indian Penal Code, 1860 ("**IPC**") on June 14, 2010 before the Metropolitan Magistrate Court. The Complainant alleges that the Company fraudulently mortgaged the Complainant's property in collusion with banks under mortgage deed dated January 16, 2006. Subsequently, on August 17, 2013 the Respondents forcibly tried to take possession of the Complainant's property for debt recovery. There is an ongoing civil suit in relation to the matter before the Bombay High Court, under which interim protection has been granted to the Complainant. The matter is currently pending.

We have three outstanding criminal proceedings against our key managerial personnel Pallav Mohapatra, Managing Director and CEO. For details, see "- *Litigation filed against our Directors- Criminal proceedings*" on page 423.

Actions by regulatory and statutory authorities

As on the date of this DRHP, there are no actions by regulatory and statutory authorities filed against our Key Managerial Personnel and Senior Management.

VI. Tax proceedings involving our Company, Subsidiary, Promoters and Directors

Details of outstanding tax proceedings involving our Company, Subsidiaries (i.e., entities considered as subsidiaries in the Restated Consolidated Financial Information), Promoters and Directors as of the date of this DRHP are disclosed below:

Nature of proceedings	Number of proceedings	Amount involved* (in ₹ million)
Direct Tax		
Company	Nil	Nil
Subsidiaries	16	112.18
Promoters^	317	900,830.43
Directors (excluding the Promoters)	1	Nil
Indirect Tax		
Company	1	561.04
Subsidiaries	Nil	Nil
Promoters^	228	127,480.00

Nature of proceedings	Number of proceedings	Amount involved* (in ₹ million)
Directors (excluding the Promoters)	Nil	Nil

* *to the extent quantifiable*

^ *The outstanding claims related to direct and indirect taxes involving SBI is disclosed as on March 31, 2025*

VII. Outstanding dues to creditors

In terms of the Materiality Policy, the creditors to whom the amount due by our Company exceeds 5% of the total trade payables (i.e., 5% of ₹ 18.54 million which is ₹ 0.93 million) of our Company as per the Restated Consolidated Financial Information have been considered as Material Creditors of our Company for the purposes of disclosure in this Draft Red Herring Prospectus. Details of outstanding dues owed to Material Creditors, MSME creditors and other creditors of our Company based on such determination, as on March 31, 2025, are disclosed below:

Type of creditors*	Number of creditors	Amount involved (*in ₹ million*)
Dues to MSME creditors	31	3.41
Dues to a Material Creditor	2	6.11
Dues to other creditors	83	9.02
Total	**116**	**18.54**

* *As certified by J. Kala & Associates, Chartered Accountants (FRN: 118769W) by way of their certificate dated August 1, 2025.*

The details pertaining to outstanding dues to the Material Creditors, along with names and amounts involved for each such Material Creditor are available on the website of our Company at *https://www.arcil.co.in/about-us/corporate-governance*.

It is clarified that such details available on our Company's website do not form a part of this DRHP and should not be deemed to be incorporated by reference. Anyone placing reliance on any source of information including our Company's website, www.arcil.co.in, would be doing so at their own risk.

VIII. Material developments since the last balance sheet date

Except as disclosed in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 372, there have been no material developments, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, which materially and adversely affect, or are likely to affect, our operations or our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months from the date of this Draft red Herring Prospectus.

IX. Other Confirmations

As on the date of this DRHP, there are no findings/ observations of any of the inspections by SEBI or any other regulatory authority which are material, and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision. For further details, see "*Risk Factors - Non-compliance with RBI's observations made during any inspection could expose us to penalties and restrictions. Any imposition of penalty or adverse findings by the RBI during any future inspections or otherwise may have an adverse effect on our reputation, business, results of operations, financial condition and cash flows*" on page 42.

GOVERNMENT AND OTHER APPROVALS

Our Company requires various approvals, licenses, registrations, and permits issued by relevant governmental and regulatory authorities under various rules and regulations to carry out our present business activities and to undertake the Offer. We have set out below an indicative list of approvals, licenses, registrations and permits obtained by our Company which are considered material and necessary for the purpose of undertaking our business activities. Except as disclosed herein, we have obtained all material licenses, permissions, registrations and approvals, from various governmental statutory and regulatory authorities, which are necessary for undertaking our current business activities and operations. Further, except as stated below, no material approvals, licenses, registrations and permits from any regulatory authority are required to undertake the Offer or continue such business activities. In the event that any of the approvals and licenses that are required for our business operations expire in the ordinary course of business, we make applications for their renewal from time to time. Unless otherwise stated, these material approvals are valid as on the date of this Draft Red Herring Prospectus. For incorporation details of our Company, see "History and Certain Corporate Matters" on page 203.

For details in connection with the regulatory and legal framework within which our Company operate, see section "Key Regulations and Policies" on page 198. For details of risk associated with not obtaining or delay in obtaining the requisite approvals, see "Risk Factors – Failure to obtain or renew approvals, licenses, registrations and permits to operate our business in a timely manner, or at all, may adversely affect our business, financial condition, results of operations and cash flows." on page 56.

APPROVALS OBTAINED BY OUR COMPANY

I. Approvals relating to the Offer

For details regarding the approvals and authorisations obtained by our Company in relation to the Offer, see "*Other Regulatory and Statutory Disclosures – Authority for the Offer*" on page 433.

II. Incorporation details of our Company

1. Certificate of incorporation dated February 11, 2002 issued by the RoC to our Company, in its name, being "Asset Reconstruction Company (India) Limited".
2. Certificate of commencement of business dated May 7, 2003 issued by the RoC to our Company.
3. The CIN of our Company is U65999MH2002PLC134884.

III. Material Approvals obtained by our Company in relation to our business and operations

We require various approvals issued by central and state authorities under various rules and regulations to carry on our business and operations in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

a. Certificate of registration from the Reserve Bank of India to commence/carry on the business of securitisation or asset reconstruction under the SARFAESI Act, issued on August 29, 2003.

b. LEI Code issued by Legal Entity Identifier India Limited bearing reference number 335800GGB2ZPNMEF6G83, issued.

IV. Tax Related Approvals obtained by our Company

a. Permanent account number is AAECA3878M;

b. Tax deduction account number is MUMA21246B;

c. Professional tax registrations under applicable state professional tax legislations for the following states:

i. Andhra Pradesh

ii. Gujarat

iii. Maharashtra

iv. Tamil Nadu

v. West Bengal

d. Goods and services tax registrations issued in the following states where the business operations of the Company are situated, under the Central Goods and Services Tax Act, 2017 and respective State Goods and Services Tax Act, 2017:

i. Delhi

ii. Gujarat

iii. Karnataka

iv. Madhya Pradesh

v. Maharashtra

vi. Odisha

vii. Punjab

viii. Rajasthan

ix. Tamil Nadu

x. Telangana

xi. Uttar Pradesh

xii. West Bengal

V. Labour Related Approvals obtained by our Company

a. Registrations under the relevant shops and establishments legislations, as applicable;

b. Certificates of registration issued under Employees' Provident Funds and Miscellaneous Provisions Act, 1952, as amended.

VI. Material approvals pending in respect of our Company

***Material Approvals or renewals applied for but not received*:**

As on the date of this Draft Red Herring Prospectus, there are no material approvals or renewals which our Company has applied for, but which have not been received.

Material Approvals expired and not applied for renewal:

As on the date of this Draft Red Herring Prospectus, there are no material approvals of our Company that have expired, and for which renewal is to be applied for.

***Material Approvals required but not applied for or obtained**:*

As on the date of this Draft Red Herring Prospectus, there are no material approvals which our Company was required to obtain but which has not been obtained or been applied for.

VII. Intellectual Property

Domain Registrations

As on the date of this Draft Red Herring Prospectus, our Company has four domain registration across various jurisdictions.

Copyrights

As on the date of this Draft Red Herring Prospectus, our Company has the following three copyrights registered in India:

S. no.	Description	Class of Registration/ Description of the work	Registering Authority	Registration number	Date of Registration
1.	Account Plan	Computer software work	Deputy Registrar of Copyrights	SW- 12364/2019	April 30, 2019
2.	E-NPP Tracker	Computer software work	Deputy Registrar of Copyrights	SW- 12340/2019	April 26, 2019
3.	Auction Engine	Computer software work	Deputy Registrar of Copyrights	SW- 12334/2019	April 25, 2019

Trademarks

As on the date of this Draft Red Herring Prospectus, our Company has the following one trademark registered in India:

Sr. No.	Description	Class of registration	Registering Authority	Date of registration	Registration number	Date of expiry
1.	Arcil Premier ARC	36	Registrar of Trademarks	June 24, 2004	1292145	August 12, 2030

For risks associated with intellectual property, see, "*Risk Factors – If we fail to protect or incur significant costs in defending our intellectual property or if we infringe the intellectual property rights of others, our business, results of operation, financial condition and cash flows could be adversely affected.*" on page 56.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term "group companies", includes (i) such companies (other than promoter(s) and subsidiaries) with which there were related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

In respect of (ii) above, pursuant to the Materiality Policy,

(a) a company (*other than the Promoters and subsidiaries*) shall be considered material and shall be disclosed as a group company if: (i) such company is a member of the promoter group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations; and (ii) Our Company has entered into one or more transactions with such company which is a member of the promoter group during the last fiscal year, in respect of which Restated Consolidated Financial Information is included in the Offer Documents, which individually or in the aggregate exceeds 10% of the total revenue from operations of the Company for the last fiscal year derived from the Restated Consolidated Financial Information included in the Offer Documents; and

(b) Other than the companies identified in (ii)(a) above, trusts that have been consolidated in the Restated Consolidated Financial Information and with whom our Company has entered into one or more transactions during the Fiscals 2025, 2024 and 2023, which individually or in the aggregate exceeds 10% of the total revenue from operations of the Company derived from the Restated Consolidated Financial Information, will be considered material and shall be disclosed as a group company.

Accordingly, pursuant to the resolution dated August 1, 2025 passed by our Board based on the parameters defined above, our Company does not have any group company, as on the date of this Draft Red Herring Prospectus.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

- Our Board has authorised the Offer by way of its resolution dated July 30, 2025.
- Our Board has taken on record the consent from each of the Selling Shareholders to severally and not jointly participate in the Offer for Sale pursuant to its resolution dated July 30, 2025.
- Our Board by way of their resolution dated August 1, 2025 approved this Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges.

Approvals from the Selling Shareholders

Each of the Selling Shareholders have, severally and not jointly, confirmed the inclusion of their respective portions of the Offered Shares as part of the Offer for Sale, as set out below:

Sr. No.	Name of the Selling Shareholders	Date of Corporate Authorization/ Board Resolution	Date of consent letter	Number of Equity Shares offered for sale	Aggregate amount of Offer for Sale (up to) (₹ million)
1.	Avenue India Resurgence Pte. Ltd.	June 5, 2025	July 28, 2025	Up to 68,739,034 Equity Shares of face value of ₹ 10 each	[●]
2.	State Bank of India	June 24, 2025	July 29, 2025	Up to 19,445,000 Equity Shares of face value of ₹ 10 each	[●]
4.	Lathe Investment Pte. Ltd.	May 19, 2025	July 29, 2025	Up to 16,244,858 Equity Shares of face value of ₹ 10 each	[●]
3.	The Federal Bank Limited	June 20, 2025	July 28, 2025	Up to 1,035,000 Equity Shares of face value of ₹ 10 each	[●]

The Selling Shareholders, specifically confirm that, as required under Regulation 8 of the SEBI ICDR Regulations, they have held the Equity Shares proposed to be offered and sold by them in the Offer for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus.

Therefore, the Equity Shares offered by the Selling Shareholders in the Offer are eligible to be offered for sale in the Offer.

In-principle listing approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of our Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI, RBI or governmental authorities

Our Company, Promoters, Selling Shareholders, members of our Promoter Group, Directors or persons in control of our Company and of the Promoter of our Company, are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any authority or court.

Our Company, Promoters or Directors have not been declared as a Wilful Defaulter or Fraudulent Borrower by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoters, Selling Shareholders and members of the Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to them, as on the date of this Draft Red Herring Prospectus.

Directors associated with the securities market

None of our Directors are associated with the securities market in any manner and no action has been initiated by SEBI against any of our Directors in the five years preceding the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations as described below:

- Our Company has net tangible assets of at least ₹ 30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each) (i.e. Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023);

- Our Company has an average operating profit of at least ₹ 150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;

- Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated and consolidated basis; and

- Our Company has not changed its name in the last one year immediately preceding the date of filing of this Draft Red Herring Prospectus.

Our Company's net tangible assets, operating profit and net worth, derived from the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus as at and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 are set forth below:

(*₹ in million, unless otherwise stated*)

Particulars	As at/ for the year ended		
	March 31, 2025	March 31, 2024	March 31, 2023
Net tangible assets(1), as restated (A)	26,587.15	24,228.94	22,440.24
Operating profit(2), as restated (B)	4,164.07	4,172.15	3,844.53
Average operating profit			4,060.25
Net Worth(3), as restated (C)	26,631.41	24,265.14	22,441.56
Monetary assets(4), as restated (D)	9,346.17	9,733.08	6,222.19
Monetary assets, as a % of net tangible assets, (E)=(D)/(A) (in %)(5)	35.15%	40.17%	27.73%

Notes:

(1) *"Net tangible assets" as restated means the sum of all the net assets of our Group excluding goodwill, intangible assets and intangible assets under development deducted by sum of total liabilities as per the Restated Consolidated Financial Information.*

(2) *"Operating profit/loss" has been calculated as net profit before tax excluding other income, finance cost, net profit/loss on financial liability designated at FVTPL and exceptional items.*

(3) *"Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, capital reserve, write-back of depreciation and amalgamation.*

(4) *"Monetary assets" means investments in bonds, debentures, commercial papers and mutual funds, cash and cash equivalents and other bank balances and net off restricted bank balance, i.e fixed deposit held as lien against non-fund based guarantee availed by the Company and deposit for CSR activities.*

(5) *Monetary Assets, as a % of Net Tangible Assets means monetary asset as restated divided by net tangible assets, as restated, expressed as a percentage.*

Our Company has operating profits in each of Financial Years 2025, 2024 and 2023 in terms of our Restated Consolidated Financial Information, as indicated in the table above.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, failing which, the entire application money will be refunded forthwith in accordance with the SEBI ICDR Regulations and applicable law.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. Our Company is in compliance with the conditions specified in Regulation 5 and Regulation 7(1) of the SEBI ICDR Regulations, as follows:

(a) Neither our Company, nor our Promoters, Selling Shareholders or members of our Promoter Group or our Directors, are debarred from accessing the capital markets by SEBI.

(b) Neither our Promoters, nor our Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI.

(c) Neither our Company nor our Promoters or any of our Directors is a Wilful Defaulter or a Fraudulent Borrower.

(d) None of our Directors or Promoters are Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018, to the extent applicable.

(e) Except for the allotment of Equity Shares pursuant to exercise under options granted under ESOP 2025, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

(f) Our Company along with the Registrar has entered into tripartite agreements dated June 12, 2025 and May 15, 2025 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares.

(g) The Equity Shares held by our Promoters are in dematerialized form;

(h) All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus; and

(i) As the Offer is by the way of an Offer for Sale, there is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance.

DISCLAIMER CLAUSE OF THE SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLMs, IIFL CAPITAL SERVICES LIMITED *(FORMERLY KNOWN AS IIFL SECURITIES LIMITED)*, IDBI CAPITAL MARKETS & SECURITIES LIMITED AND JM FINANCIAL LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS AND THE SELLING SHAREHOLDERS, SEVERALLY AND NOT JOINTLY WILL BE RESPONSIBLE FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY THEM IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF AND ITS OFFERED SHARES, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMs IIFL CAPITAL SERVICES LIMITED *(FORMERLY KNOWN AS IIFL SECURITIES LIMITED)*, IDBI CAPITAL MARKETS & SECURITIES LIMITED AND JM FINANCIAL LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 1, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMs, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All applicable legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC including in terms of Section 32 of the Companies Act, 2013. All applicable legal requirements pertaining to the Offer will be complied with at the time of filing of the Prospectus with the RoC including in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, our Directors, the Selling Shareholders and the BRLMs

Our Company, our Directors, the Selling Shareholders and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.arcil.co.in, or any website of any affiliate of our Company or Selling Shareholders, would be doing so at his or her own risk. It is clarified that neither the Selling Shareholders, nor their respective directors, affiliates, associates and officers, accept and/or undertake any responsibility for any statements made or undertakings provided other than those specifically made or undertaken by such Selling Shareholders in relation to itself and/or the Equity Shares offered by them through the Offer for Sale.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided for in the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders (to the extent of themselves and their respective portion of Offered Shares) and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the Bidders in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India, Hindu Undivided Families ("**HUFs**"), companies, other corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), systemically important non-banking financial companies or trusts under the applicable trust laws, and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, venture capital funds, permitted insurance companies and pension funds registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013 and, to permitted non-residents including Eligible NRIs, Alternative Investment Funds ("**AIFs**"), Foreign Portfolio Investors registered with SEBI ("**FPIs**") and QIBs. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at Mumbai, India only. This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction including India.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with the SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to this Draft Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises this Draft Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

Eligibility and transfer restrictions

As described more fully below, there are certain restrictions regarding the Equity Shares that affect potential U.S. and non-U.S. investors. These restrictions are (i) prohibitions on participation in the Offer by persons in circumstances which would cause our Company to be required to be registered as an investment company under the U.S. Investment Company Act and (ii) restrictions on the ownership of Equity Shares by such persons following the Offer.

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Our Company has not registered and does not intend to register under the U.S. Investment Company Act. Accordingly, the Equity Shares are being offered and sold (i) to persons in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both U.S. QIBs and QPs, pursuant to section 4(a) of the U.S. Securities Act and Section 3(c)(7) of the U.S. Investment Company Act and (ii) outside the United States to investors that are not U.S. persons nor persons acquiring for the account or benefit of U.S. Persons in "offshore transactions", as defined in, and in reliance on, Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction except in compliance with the applicable laws or such jurisdiction.

Until the expiry of 40 days after the commencement of the Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in the Offer) may violate the registration requirements of the U.S. Securities Act.

The Equity Shares 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 this Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved.

Our Company is not and will not be registered under the U.S. Investment Company Act, and investors will not be entitled to the benefits afforded to investors under the U.S. Investment Company Act. Investors may be required to bear the financial risk of an investment in the Equity Shares for an indefinite period.

Eligible Investors

The Equity Shares are being offered and sold:

i. in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both U.S. QIBs and QPs pursuant to section 4(a) of the U.S. Securities Act and Section 3(c)(7) of the U.S. Investment Company Act; and

ii. outside the United States to investors that are not U.S. Persons, nor persons acquiring for the account or benefit of U.S. Persons, in "offshore transactions" in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur;

and in each case who are deemed to have made the representations set forth immediately below.

Equity Shares Offered and Sold within the United States or to U.S. Persons

Each purchaser that is a U.S. Person or acquiring the Equity Shares issued pursuant to this Offer within the United States or for the account or benefit of U.S. Persons, by a declaration included in the Bid cum Application Form and its acceptance of the Red Herring Prospectus, Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented to and agreed, on behalf of itself and each person for which it is acting, with the Company and the Book Running Lead Managers that it has received a copy of the Red Herring Prospectus, Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares issued pursuant to this Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares issued pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

3. the purchaser (i) is a U.S. QIB and a QP, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the U.S. Securities Act, (iii) was not formed for the purpose of investing in the Equity Shares and (iv) is acquiring such Equity Shares for its own account or for the account of one or more persons, each of which is a U.S. QIB and a QP, with respect to which it exercises sole investment discretion;

4. the purchaser acknowledges that the Company has not registered, and does not intend to register, as an "investment company" (as such term is defined under the U.S. Investment Company Act) and that the Company has imposed the transfer and offering restrictions with respect to persons in the United States and U.S. Persons described herein so that the Company will qualify for the exception provided under Section 3(c)(7) of the U.S. Investment Company Act and will have no obligation to register as an investment company. The purchaser, and each person for which it is acting, also understands and agrees that the Company and the Book Running Lead Managers shall have the right to request and receive such additional documents, certifications, representations and undertakings, from time to time, as they may deem necessary in order to comply with applicable legal requirements;

5. the purchaser is not a broker-dealer which owns and invests on a discretionary basis less than US$25 million in securities of issuers unaffiliated with such broker-dealer;

6. the purchaser understands that, subject to certain exceptions, to be a QP, entities must have U.S.$25 million in "investments" (as defined in Rule 2a51- l of the U.S. Investment Company Act);

7. the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

8. the purchaser is not a participant-directed employee plan, such as a 401(k) plan, or a trust holding the assets of such plan, unless the investment decisions with respect to such plan are made solely by the fiduciary, trustee or sponsor of such plan;

9. the purchaser is not managed as a device for facilitating individual investment decisions of beneficial owners, but rather is managed as a collective investment vehicle;

10. the purchaser, and each account for which it is purchasing or otherwise acquiring Equity Shares, will purchase, hold or transfer Equity Shares amounting to at least US$250,000 or its equivalent in another currency;

11. it, and each person for which it is acting, was not formed, reformed or recapitalized for the purpose of investing in the Equity Shares and/or other securities of the Company;

12. if the purchaser, or any person for which it is acting, is an investment company excepted from the U.S Investment Company Act pursuant to section 3(c)(1) or section 3(c)(7) thereof (or a foreign investment company under Section 7(d) thereof relying on section 3(c)(1) or 3(c)(7) with respect to its holders that are U.S. persons) and was formed on or before April 30, 1996, it has received the consent of its beneficial owners who acquired their interests on or before April 30, 1996, with respect to its treatment as a QP in the manner required by Section 2(a)(51)(C) of the U.S. Investment Company Act and the rules promulgated thereunder;

13. the purchaser, and each person for which it is acting, is not a partnership, common trust fund, or corporation, special trust, pension fund or retirement plan, or other entity, in which the partners, beneficiaries, beneficial owners, participants, shareholders or other equity owners, as the case may be, may designate the particular investments to be made, or the allocation thereof unless all such partners, beneficiaries, beneficial owners, participants, shareholders or other equity owners are both QIBs and QPs;

14. the purchaser, and each person for which it is acting, has not invested more than 40.0% of its assets in the Equity Shares (or beneficial interests therein) and/or other securities of the Company after giving effect to the purchase of the Equity Shares (or beneficial interests therein) (unless all of the beneficial owners of such entity's securities are both QIBs and QPs);

15. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only outside the United States in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (including, for the avoidance of doubt, a bona fide sale on the BSE or the NSE). The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them;

16. is not subscribing to, or purchasing, the Equity Shares with a view to, or for the offer or sale in connection with, any distribution thereof (within the meaning of the U.S. Securities Act) that would be in violation of the securities laws of the United States or any state thereof;

17. the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any such Equity Shares;

18. the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

19. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares or any "general solicitation" or "general advertising" (as defined in Regulation D under the U.S. Securities Act) in the United States in connection with any offer or sale of the Equity Shares;

20. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "U.S. INVESTMENT COMPANY ACT"). THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE TRANSFEROR TO BE A US PERSON BY PRE-ARRANGEMENT OR OTHERWISE IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, AND OTHERWISE IN A TRANSACTION EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND THE U.S. INVESTMENT COMPANY ACT. THIS SECURITY IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH TRANSFEROR OF THIS SECURITY AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE COMPANY'S OFFER DOCUMENTS TO THE TRANSFEREE AND TO ANY EXECUTING BROKER.

21. the purchaser agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Equity Shares being sold and agrees not to act as a swap counterparty or other type of intermediary whereby any other party will acquire an economic interest or beneficial interest in the Equity Shares acquired or reoffer, resell, pledge or otherwise transfer the Equity Shares or any beneficial interest therein, to any person except to a person that meets all of the requirements above and who agrees not to subsequently transfer the Equity Shares or any beneficial interest therein except in accordance with these transfer restrictions;

22. the purchaser understands and acknowledges that (i) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; (ii) any acquisition of a beneficial interest in the Equity Shares by any U.S. Person or any person within the United States who is required under these restrictions to be a QP but is not a QP at the time it acquires a beneficial interest in the Equity Shares, shall be null and void ab initio and will not be honored by the Company and in no event will the Company, its directors, officers, employees or agents, including any broker or dealer, have any liability whatsoever to the purchaser by reason of any act or failure to act by any person authorized by the Company in connection with the foregoing;

23. the purchaser understands and acknowledges that our Company may be considered a "covered fund" for purposes of the Volcker Rule. The definition of "covered fund" in the Volcker Rule includes (generally) any entity that would be an investment company under the U.S. Investment Company Act, but for the exceptions provided under Section 3(c)(1) or 3(c)(7) thereunder. Because our Company relies on Section 3(c)(7) of the U.S. Investment Company Act for its exclusion from registration thereunder, it may be considered to be a covered fund. Accordingly, banking entities that are subject to the Volcker Rule may be prohibited under the Volcker Rule from, among other things, acquiring or retaining our Equity Shares, absent any applicable exception, exclusion or exemption. Each purchaser must make its own determination as to whether it is a banking entity subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain our Equity Shares;

24. the purchaser is knowledgeable, sophisticated and experienced in business and financial matters, fully understands the limitations on ownership and transfer and the restrictions on sales of the Equity Shares and is aware that there are substantial risks incidental to the purchase of the Equity Shares and is able to bear the economic risk of such purchase; and

25. the purchaser acknowledges that the Company, the Book Running Lead Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any

of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All Other Equity Shares Offered and Sold in this Offer

Each purchaser that is a non-U.S. Person and acquiring the Equity Shares sold pursuant to this Offer outside the United States, by a declaration included in the Bid cum Application Form and its acceptance of the Red Herring Prospectus, Prospectus and of the Equity Shares sold pursuant to this Offer, will be deemed to have acknowledged, represented to and agreed with the Company and the Managers that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares sold pursuant to this Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares issued pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

3. the purchaser is purchasing the Equity Shares issued pursuant to this Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;

4. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares issued pursuant to this Offer, is a non-U.S. Person and was located outside the United States at each time (i) the offer was made to it and (ii) when the buy order for such Equity Shares was originated, and continues to be a non-U.S. Person and located outside the United States and has not purchased such Equity Shares for the account or benefit of any U.S. Person or any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any U.S. Person or any person in the United States;

5. the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

6. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only outside the United States in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act to a person not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (including, for the avoidance of doubt, a bona fide sale on the BSE or the NSE). The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them, and confirms that the proposed transfer of the Equity Shares is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act or the U.S. Investment Company Act;

7. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;

8. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

   THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "U.S. INVESTMENT COMPANY ACT"). THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE TRANSFEROR TO BE A US PERSON BY PRE-ARRANGEMENT OR OTHERWISE IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND OTHERWISE IN A TRANSACTION EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND THE U.S. INVESTMENT COMPANY ACT. THIS SECURITY IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH TRANSFEROR OF THIS SECURITY AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE COMPANY'S OFFER DOCUMENTS TO THE TRANSFEREE AND TO ANY EXECUTING BROKER.

9. the purchaser agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Equity Shares being sold;

10. the purchaser understands and acknowledges that (i) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; (ii) any acquisition of a beneficial interest in the Equity Shares by any U.S. Person or any person within the United States who is required under these restrictions to be a QP but is not a QP at the time it acquires a beneficial interest in the Equity Shares, shall be null and void ab initio and will not be honored by the Company and in no event will the Company, its directors, officers, employees or agents, including any broker or dealer, have any liability whatsoever to the purchaser by reason of any act or failure to act by any person authorized by the Company in connection with the foregoing;

11. the purchaser understands and acknowledges that our Company may be considered a "covered fund" for purposes of the Volcker Rule. The definition of "covered fund" in the Volcker Rule includes (generally) any entity that would be an investment company under the U.S. Investment Company Act, but for the exceptions provided under Section 3(c)(1) or 3(c)(7) thereunder. Because our Company relies on Section 3(c)(7) of the U.S. Investment Company Act for its exclusion from registration thereunder, it may be considered to be a covered fund. Accordingly, banking entities that are subject to the Volcker Rule may be prohibited under the Volcker Rule from, among other things, acquiring or retaining our Equity Shares, absent any applicable exception, exclusion or exemption. Each purchaser must make its own determination as to whether it is a banking entity subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain our Equity Shares; and

12. the purchaser acknowledges that the Company, the Book Running Lead Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer clause of the BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to the BSE. The disclaimer clause as intimated by the BSE to our Company, post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by the NSE to our Company, post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Listing

The Equity Shares offered pursuant to the Red Herring Prospectus and the Prospectus are proposed to be listed on the BSE and the NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity shares. [●] will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the Bidders in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid / Offer Closing Date or within such period as may be prescribed by SEBI. If our Company does not Allot Equity Shares pursuant to the Offer within two Working Days from the Bid / Offer Closing Date or within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of ₹ 100 per day or 15% per annum for the delayed period. However, the Selling Shareholders shall not be liable to pay and / or reimburse any expenses towards refund or any interest thereon in respect to Allotment of their respective proportion of the Offered Shares or otherwise, unless the failure or default or delay, as the case may be, is solely on account of such Selling Shareholders and such liability shall be limited to the extent of their respective Offered Shares.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

"*Any person who –*

(a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*

(b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

(c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under section 447."

The liability prescribed under Section 447 of the Companies Act 2013 involving an amount of at least ₹ 1.00 million 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 ₹ 1.00 million 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 ₹ 5.00 million or with both.

Consents

Consents in writing of: (a) the Selling Shareholders, our Directors, Promoters, the Chief Financial Officer, the Company Secretary and Compliance Officer, the legal counsel to our Company as to Indian law, the Bankers to our Company, CRISIL, Independent Chartered Accountant, the BRLMs and Registrar to the Offer have been obtained; and (b) the Syndicate Members, Bankers to the Offer/Escrow Bank, Public Offer Account Bank, Sponsor Banks and Refund Bank to act in their respective capacities will be obtained and filed along with a copy of the Red Herring Prospectus and the RoC as required under Section 26 and 32 of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for filing with the RoC the Companies Act. Further, such consents obtained under (a) have not been withdrawn up to the date of this Draft Red Herring Prospectus.

Experts to the Offer

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

1. Our Company has received written consent dated August 1, 2025 from M S K A & Associates, Chartered Accountants, 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 Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated August 1, 2025 on the Restated Consolidated Financial Information; (ii) examination report, dated August 1, 2025 on the Restated Standalone Financial Information; (iii) their report dated August 1, 2025 on the statement of possible special tax benefits in this Draft Red Herring Prospectus, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

2. Our Company has received written consent dated August 1, 2025 from J. Kala & Associates, Chartered Accountants, (FRN: 118769W) holding a valid peer review certificate from ICAI, to include their name as an 'expert' as defined under Section 2(38) and 26 of Companies Act, 2013 in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

3. Our Company has received written consent dated August 1, 2025 from M/s K S Aiyar & Co., Chartered Accountants, (FRN: 100186W), to include their name as required under Section 26 of the Companies Act, 2013 read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in their capacity as the previous statutory auditor and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

4. Our Company has received written consent dated August 1, 2025 from Khanna & Co., practicing company secretary, to be named as an "expert" under Section 26(1) and 2(38) and other applicable provisions of the Companies Act, 2013 in their capacity as practicing company secretary and in respect of their certificates dated August 1, 2025 and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

The above-mentioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues during the last five years

Our Company has not undertaken any public issue including rights issue in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Commission or brokerage on previous issues in the last five years

Since this is the initial public offer of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Capital issues in the preceding three years by our Company and listed group companies, subsidiaries or associate entities

Except as disclosed in "*Capital Structure - Notes to Capital Structure*" on page 92, our Company has not made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus. Our Associates have not made any capital issues in the three years preceding the date of this Draft Red Herring Prospectus. Further, our Company does not have any subsidiaries as per the Companies Act, 2013 or group companies.

Performance *vis-à-vis* objects – public/ rights issue of our Company

Our Company has not undertaken any public issue including rights issue in the five years preceding the date of this Draft Red Herring Prospectus.

Performance *vis-à-vis* objects – public/ rights issue of the listed subsidiaries/ listed promoters of our Company

Neither our listed Promoter, State Bank of India nor our Company have undertaken any public or rights issues in the last five years preceding the date of this Draft Red Herring Prospectus. Further our Company does not have any subsidiaries as per the Companies Act, 2013.

Price information of past issues handled by the BRLMs

IIFL Capital Services Limited (*formerly known as IIFL Securities Limited*)

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by IIFL Capital Services Limited (formerly known as IIFL Securities Limited)*

Sr. No.	Issuer Name	Issue Size (in Rs. Mn)	Issue Price (Rs.)	Designated stock exchange	Listing Date	Opening Price on Listing Date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Standard Glass Lining Technology Limited	4,100.51	140.00	NSE	January 13, 2025	172.00	+14.49%, [-0.06%]	-2.76%, [-1.11%]	+29.06%, [+8.94%]
2.	Hexaware Technologies Limited	87,500	708.00(1)	NSE	February 19, 2025	745.50	+3.45%, [+1.12%]	+5.16%, [+8.78%]	N.A.
3.	Aegis Vopak Terminals Limited	28,000.00	235.00	BSE	June 2, 2025	220.00	+3.74%, [+2.86%]	N.A.	N.A.
4.	Schloss Bangalore Limited	35,000.00	435.00	NSE	June 2, 2025	406.00	-6.86%, [+3.34%]	N.A.	N.A.
5.	Oswal Pumps Limited	13,873.40	614.00	NSE	June 20, 2025	634.00	+17.96%, [-0.57%]	N.A.	N.A.
6.	Arisinfra Solutions Limited	4,995.96	222.00	NSE	June 25, 2025	205.00	-33.84%, [-0.72%]	N.A.	N.A.
7.	Ellenbarrie Industrial Gases Limited	8,525.25	400.00	NSE	July 1, 2025	486.00	+41.09%, [-2.69%]	N.A.	N.A.
8.	HDB Financial Services Limited	1,25,000.00	740.00	NSE	July 2, 2025	835.00	N.A.	N.A.	N.A.
9.	Smartworks Coworking Spaces Limited	5,825.55	407.00(2)	NSE	July 17, 2025	435.00	N.A.	N.A.	N.A.
10.	GNG Electronics Limited	4,604.35	237.00	NSE	July 30, 2025	355.00	N.A.	N.A.	N.A.

Source: www.nseindia.com; www.bseindia.com, as applicable

(1) *A discount of ₹ 67 per equity share was offered to eligible employees bidding in the employee reservation portion.*

(2) *A discount of ₹ 37 per equity share was offered to eligible employees bidding in the employee reservation portion.*

* *Benchmark Index taken as NIFTY 50 or S&P BSE SENSEX, as applicable. Price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th /90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. NA means Not Applicable. The above past price information is only restricted to past 10 initial public offers.*

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by IIFL Capital Limited (formerly known as IIFL Securities Limited)*

Financial Year	Total No. of IPO's	Total Funds Raised (in Rs. Mn)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar days from listing			No. of IPOs trading at premium – 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24	15	1,54,777.80	-	-	4	3	4	4	-	-	1	5	4	5
2024-25	16	4,81,737.17	-	-	1	6	4	5	-	2	-	6	3	2
2025-26	8	2,25,824.51	-	1	1	-	1	2	-	-	-	-	-	-

Source: www.nseindia.com; www.bseindia.com, *as applicable*
Note: Data for number of IPOs trading at premium/discount taken at closing price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.
NA means Not Applicable.
Notes:
1. *The information is as on the date of this Draft Red Herring Prospectus.*
2. *The information for each of the financial years is based on issues listed during such financial year*

IDBI Capital Markets & Securities Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by IDBI Capital Markets & Securities Limited*

Sr. No.	Issuer Name	Issue Size *(in ₹ million)*	Issue Price (₹)	Listing Date	Opening price on listing date	+/-% change in closing price, [+/-% change in closing benchmark]-30th calendar days from listing	+/-% change in closing price, [+/-% change in closing benchmark]-90th calendar days from listing	+/-% change in closing price, [+/-% change in closing benchmark]-180th calendar days from listing
1	Transrail Lighting Limited^^	8,389.12	432.00	December 27, 2024	585.15	+22.45% [3.19%]	+14.25% [1.79%]	+48.37 [+4.26%]
2	NTPC Green Energy Limited^$	1,00,000.00	108.00	November 27, 2024	111.50	+16.69% [-2.16%]	-8.89% [7.09%]	+3.00% [+2.38%]
3	Indian Renewable Energy Development Agency Limited^	21,502.12	32.00	November 29, 2023	50.00	+204.06% [+8.37%]	+373.44% [+10.08%].	+479.84 [+14.23%]

Source: www.nseindia.com and www.bseindia.com, as applicable
^ *NSE as Designated Stock Exchange*
^^ *BSE as Designated Stock Exchange*
$ *Discount of Rs.5.00 per equity Share offered to Eligible Employees. All calculations are based on the Issue Price of ₹108.00 per equity share*
Notes:
1. *Wherever 30th/ 90th/ 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered*
2. *Similarly, benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective issuer company at the time of the Issue has been considered for all of the above calculations.*
3. *NA means Not Applicable*

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by IDBI Capital Markets & Securities Limited*

Financial Year	Total no. of IPOs	Total amount of funds raised *(in ₹ million)#*	No. of IPOs trading at discount – 30^{th} calendar days from listing			No. of IPOs trading at premium – 30^{th} calendar days from listing			No. of IPOs trading at discount – 180^{th} calendar days from listing			No. of IPOs trading at premium – 180^{th} calendar days from listing		
			Over 50%	Between 25- 50%	Less than 25%	Over 50%	Between 25- 50%	Less than 25%	Over 50%	Between 25- 50%	Less than 25%	Over 50%	Between 25- 50%	Less than 25%
2025-26	-	-	-	-		-	-	-	-	-	-	-	-	-
2024-25	2	1,08,389.12	-	-		-	-	2	-	-	-	-	1	1
2023-24	1	21,502.12	-	-	-	1	-	-	-	-	-	1	-	-

#As per the Prospectus

Notes:

1. *The information is as on the date of this Draft Red Herring Prospectus.*
2. *The information for each of the financial years is based on issues listed during such financial year*

JM Financial Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by JM Financial Limited*

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30^{th} calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90^{th} calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180^{th} calendar days from listing
1.	Brigade Hotel Ventures Limited*[11]	7,596.00	90.00	July 31, 2025	81.10	Not Applicable	Not Applicable	Not Applicable
2.	GNG Electronics Limited*	4,604.35	237.00	July 30, 2025	355.00	Not Applicable	Not Applicable	Not Applicable
3.	Indiqube Spaces Limited*[7]	7,000.00	237.00	July 30, 2025	216.00	Not Applicable	Not Applicable	Not Applicable
4.	Anthem Biosciences Limited#[9]	33,950.00	570.00	July 21, 2025	723.10	Not Applicable	Not Applicable	Not Applicable
5.	Smartworks Coworking Spaces Limited*[10]	5,825.55	407.00	July 17, 2025	435.00	Not Applicable	Not Applicable	Not Applicable
6.	HDB Financial Services Limited*	1,25,000.00	740.00	July 2, 2025	835.00	2.51%[-2.69%]	Not Applicable	Not Applicable
7.	Kalpataru Limited*[8]	15,900.00	414.00	July 1, 2025	414.00	-2.83% [-2.69%]	Not Applicable	Not Applicable
8.	Ellenbarrie Industrial Gases Limited*	8,525.25	400.00	July 1, 2025	486.00	41.09% [-2.69%]	Not Applicable	Not Applicable
9.	Arisinfra Solutions Limited*	4,995.96	222.00	June 25, 2025	205.00	-33.84% [-0.72%]	Not Applicable	Not Applicable
10.	Oswal Pumps Limited*	13,873.40	614.00	June 20, 2025	634.00	17.96% [-0.57%]	Not Applicable	Not Applicable

Source: www.nseindia.com; www.bseindia.com

 # BSE as Designated Stock Exchange

** NSE as Designated Stock Exchange*

Notes:

1. *Opening price information as disclosed on the website of the Designated Stock Exchange.*
2. *Change in closing price over the issue/offer price as disclosed on Designated Stock Exchange.*
3. *For change in closing price over the closing price as on the listing date, the CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.*
4. *In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.*
5. *30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken a listing date plus 179 calendar days.*
6. *Restricted to last 10 issues.*
7. *A discount of Rs. 22 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
8. *A discount of Rs. 38 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
9. *A discount of Rs. 50 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
10. *A discount of Rs. 37 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
11. *A discount of Rs. 3 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*

Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by JM Financial Limited

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2025-2026	12	2,92,078.51	-	1	1	-	1	2	-	-	-	-	-	-
2024-2025	13	2,55,434.10	-	-	5	5	2	1	1	3	1	4	1	2
2023-2024	24	2,88,746.72	-	-	7	4	5	8	-	-	5	7	5	7

Notes:

1. *The information is as on the date of this Draft Red Herring Prospectus.*
2. *The information for each of the financial years is based on issues listed during such financial year*

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in circular bearing number CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the BRLMs, as provided in the table below:

S. No.	Name of the BRLM	Website
1.	IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*	www.iiflcap.com
2.	IDBI Capital Markets & Securities Limited	www.idbicapital.com
3.	JM Financial Limited	www.jmfl.com

Stock Market Data of the Equity Shares

The Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a minimum period of eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Investors may contact the Compliance Officer and Company Secretary or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of Allotment Advice, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All Offer related grievances, other than those of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Investors who make the payment of Bid Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All Offer related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

In terms of SEBI ICDR Master Circular and any subsequent circulars, as applicable, issued by SEBI, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same within three months of the date of listing of the Equity Shares with the concerned SCSB. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

Separately, pursuant to the SEBI ICDR Master Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled/withdrawn/deleted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation/withdrawal/deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock

Scenario	Compensation amount	Compensation period
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹ 100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted/partially Allotted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there is a delay in redressal of the investor grievance, the BRLMs shall compensate the investors at the rate higher of ₹ 100 or 15% per annum of the application amount. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated by the intermediary responsible for causing such delay in unblocking in accordance with applicable law. Further, investors shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Further, in terms of SEBI ICDR Master Circular, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

For grievance redressal contact details of the BRLMs pursuant to the SEBI ICDR Master Circular, see "*Offer Procedure – General Instructions*" on page 469.

Disposal of Investor Grievances by our Company

We estimate that the average time required by our Company and/or the Registrar to the Offer for the redressal of routine investor grievances shall be ten Working Days from the date of receipt of the complaint. In case of non- routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ameet Ashok Kela, as the Company Secretary and Compliance Officer and he may be contacted in case of any pre-Offer or post-Offer related problems, at the address set forth hereunder.

Tel:+91 22-66581300
E-mail: cs@arcil.co.in
Address: The Ruby, 10th Floor
29 Senapati Bapat Marg, Dadar (West)
Mumbai – 400 028
Maharashtra, India

Our Company shall obtain authentication on SCORES and shall comply with the SEBI circular SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023, in relation to redressal of investor grievances through SCORES before filing the RHP.

Further, our Board has constituted a Stakeholders' Relationship Committee, which is responsible for redressal of grievances of the security holders of our Company. For more information, see "*Our Management*" beginning on page 212.

Our Company has not received any investor grievances during the three years preceding the date of this Draft Red Herring Prospectus and as on date, there is no pending investor complaint.

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

Our Company has not applied for or received any exemption from complying with any provisions of securities laws from SEBI, as on the date of this Draft Red Herring Prospectus.

SECTION VII – OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act 2013, the SEBI ICDR Regulations, the SCRA, the SCRR, the Memorandum of Association, the Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus and the Prospectus, the Bid cum Application Form, the Revision Form, the CAN (for Anchor Investors), the Abridged Prospectus and other terms and conditions as may be incorporated in the Allotment Advice and other documents and certificates that may be executed in respect of the Offer. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital, offer for sale and listing and trading of securities, issued from time to time, by SEBI, GoI, Stock Exchanges, the RoC, the RBI and/or other authorities, to the extent applicable or such other conditions as maybe prescribed by such governmental and/or regulatory authority while granting approval for the Offer.

The Offer

The Offer is by way of an Offer for Sale by the Selling Shareholders. Expenses for the Offer shall be borne by our Company and the Selling Shareholders, severally and not jointly, in the manner specified in "*Objects of the Offer - Offer expenses*" on page 105.

Ranking of Equity Shares

The Allottees upon Allotment of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares being offered and transferred pursuant to the Offer will be subject to the provisions of the Companies Act 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum of Association and the Articles of Association and will rank *pari passu* in all respects with the existing Equity Shares, including in respect of dividends, voting and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with applicable law. For more information, see "*Description of Equity Shares and Terms of the Articles of Association*" beginning on page 479.

Mode of payment of dividend

Our Company shall pay dividends, if declared, to the Shareholders, as per the provisions of the Companies Act 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association, dividend distribution policy of our Company and any guidelines or directives that may be issued by the GoI in this respect. Any dividends declared by our Company after the date of Allotment in this Offer will be payable to the Allottees, for the entire year, in accordance with applicable law. For more information, see "*Dividend Policy*" and "*Description of Equity Shares and Terms of the Articles of Association*" on pages 238 and 479, respectively.

Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹ 10. At any given point of time there will be only one denomination for the Equity Shares. The Floor Price of the Equity Shares is ₹ [●] and the Cap Price of the Equity Shares is ₹ [●]. The Offer Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company, in consultation with the BRLMs, and shall be published at least two Working Days prior to the Bid/ Offer Opening Date, in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), and [●] editions of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid cum Application Forms available at the website of the Stock Exchanges. The Offer Price shall be determined by our Company, in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for Equity Shares offered by way of the Book Building Process.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, the Equity Shareholders will have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and laws including ARC Master Directions, RBI rules and regulations and other applicable law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act 2013, the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see "*Description of Equity Shares and Terms of the Articles of Association*" on page 479.

Allotment only in dematerialized form

In terms of Section 29 of the Companies Act 2013, and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialized form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated June 12, 2025, amongst our Company, NSDL and Registrar to the Offer; and
- Tripartite agreement dated May 15, 2025, amongst our Company, CDSL and Registrar to the Offer.

For details in relation to Basis of Allotment, see "*Offer Procedure*" on page 459.

Market Lot and Trading Lot

Since trading of our Equity Shares will be in dematerialized form, the tradable lot is one Equity Share. Allotment in the Offer will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares to QIBs and RIIs. For NIBs allotment shall not be less than the minimum Non-Institutional application size. For the method of Basis of Allotment, see "*Offer Procedure*" beginning on page 459.

Joint holders

Subject to the provisions of our Articles of Association, where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-tenants with benefits of survivorship.

Jurisdiction

The courts of Mumbai, Maharashtra, India will have exclusive jurisdiction in relation to this Offer.

Nomination facility to Bidders

In accordance with Section 72 of the Companies Act 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the Sole Bidder or the First Bidder, with other joint Bidders, may nominate any one person in whom, in the event of the death of Sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, will vest, to the exclusion of all other persons, unless the nomination is modified or cancelled in the prescribed manner. A person, being a nominee entitled to the Equity Shares by reason of the death of the original holder(s), will, in accordance with Section 72 of the Companies Act 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the Equity Shares. Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of the holder's death during minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form. Fresh nomination can be made only in the prescribed form available on request at our Registered and Corporate Office or to the Registrar and Share Transfer Agents of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act 2013, shall, on the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as holder of Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividend, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participant.

Bid/ Offer Period

EVENT	INDICATIVE DATE
BID/ OFFER OPENS ON(1)	[●]
BID/ OFFER CLOSES ON(2)(3)	[●]
FINALIZATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE	On or about [●]
INITIATION OF REFUNDS (IF ANY, FOR ANCHOR INVESTORS)/ UNBLOCKING OF FUNDS FROM ASBA ACCOUNT	On or about [●]
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS OF ALLOTTEES	On or about [●]
COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGES	On or about [●]

(1) Our Company, in consultation with the BRLMs and subject to applicable law, may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations.
(2) Our Company and Selling Shareholders, in consultation with the BRLMs and subject to applicable law, may decide to close the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.
(3) UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of nonallotted/partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the agreements to be entered into between our Company with the relevant intermediaries, to the extent applicable.

The aforesaid timetable, is indicative in nature and does not constitute any obligation or liability on our Company or the Selling Shareholders or the members of the Syndicate. While our Company will use best efforts to ensure that listing and trading of our Equity Shares on the Stock Exchanges commences within three Working Days from the Bid/Offer Closing Date or such period as may be prescribed by SEBI, the timetable may be subject to change for various reasons, including extension of Bid/ Offer Period by our Company, due to revision of the Price Band, any delays in receipt of final listing and trading approvals from the Stock Exchanges, delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance

with applicable law. Each of the Selling Shareholders, severally and not jointly, confirm that they shall extend reasonable support and co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid/Offer Closing Date or such period as may be prescribed.

SEBI vide the SEBI ICDR Master Circular has reduced the post issue timeline for initial public offerings ("IPO"). The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public issues opening on or after September 1, 2023, and mandatory on or after December 1, 2023. Accordingly, the Offer will be made under UPI Phase III on mandatory basis, subject to the timing of the Offer and any circulars, clarification or notification issued by the SEBI from time to time, including with respect to the SEBI ICDR Master Circular.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/ Offer Closing Date or such period as may be prescribed by the SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the abovementioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/Offer Closing Date*	
Submission of electronic applications (Online ASBA through 3-in-1 accounts) – For Retail Individual Bidders and Non-Institutional Investors	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of electronic applications (Bank ASBA through online channels like internet banking, mobile banking and syndicate UPI ASBA applications where Bid Amount is up to ₹ 0.5 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of electronic applications (syndicate non-retail, non-individual applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non- Individual Applications of QIBs and NIBs where Bid Amount is more than ₹ 0.5 million	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ Revision/cancellation of Bids	
Upward revision of Bids by QIBs and Non-Institutional Bidders categories	Only between 10.00 a.m. on the Bid/Issue Opening Date and up to 4.00 p.m. IST on Bid/Issue Closing Date
Upward or downward Revision of Bids or cancellation of Bids by Retail Individual Bidders	Only between 10.00 a.m. on the Bid/Issue Opening Date and up to 5.00 p.m. IST on Bid/Issue Closing Date

* *UPI mandate end time and date shall be at 5.00pm on Bid/Offer Closing Date.*

\# *QIBs and Non-Institutional Bidders can neither revise their Bids downwards nor cancel/withdraw their Bids.*

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST for Bids by QIBs and Non-Institutional Investors (other than UPI Investors); and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by UPI Retail Individual Investors.

On the Bid/ Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the registrar and share transfer agents on a daily basis, as per the format prescribed in the SEBI ICDR Master Circular.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading Bids on the Bid/ Offer Closing Date, Bidders are advised to submit Bids one day prior to the Bid/ Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/ Offer Closing Date. Bidders are cautioned that if a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public issues, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation in the Offer. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by the SCSBs would be rejected. Bids will be accepted only on Working Days. Investors may please note that as per letters dated July 3, 2006 and July 6, 2006, issued by the BSE and NSE respectively, Bids and any revisions in Bids shall not be accepted on Saturdays, Sundays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchanges' Platform during the Bid/ Offer Period till 5:00 pm on the Bid/ Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Our Company, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/ Offer Period, in accordance with the SEBI ICDR Regulations, provided that the Cap Price will be less than or equal to 120% of the Floor Price provided that the Cap Price shall be at least 105% of the Floor Price and the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid/ Offer Period will be extended by at least three additional Working Days after such revision subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company in consultation with the BRLMs may, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days.

Any revision in the Price Band and the revised Bid/ Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges by issuing a public notice and by indicating the change on the respective websites of the BRLMs and terminals of the Syndicate Members and will also intimated to SCSBs, the Registered Brokers, RTAs, CDPs and the Sponsor Banks. However, in case of revision in the Price Band, the Bid Lot shall remain the same.

In case of discrepancy in data entered in the electronic book *vis-à-vis* data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

As this is an Offer for Sale by the Selling Shareholders, the requirement of minimum subscription of 90% of the Offer is not applicable in accordance with the SEBI ICDR Regulations. However, if our Company does not make the minimum Allotment as specified under the terms of Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, if any; in accordance with the applicable laws, on the Bid/Offer Closing Date or if the level of subscription falls below the threshold specified above on account of withdrawal of application or after technical rejections or for any reason whatsoever; or fails to obtain listing and trading permission from the Stock Exchanges for the Equity Shares so offered under the Red Herring Prospectus, the Selling Shareholders, to the extent applicable, and our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days, interest at the rate of 15% per annum shall be paid, in accordance with the SEBI ICDR Master Circular.

Further, the allocation of Equity Shares in the Offer, and the Basis of Allotment and Allotment shall be finalized by the Company, in consultation with the Book Running Lead Managers and the Designated Stock Exchange, in accordance with Applicable Law. Pursuant to the Offer Agreement, the Company, Selling Shareholders and the BRLMs agree that in case of under-subscription in the Offer, the Equity Shares will be Allotted in proportion to the Offered Shares being offered by each Selling Shareholder. In relation to Avenue India Resurgence Pte. Ltd.'s Offered Shares and the Investor Selling Shareholder's Offered Shares,, Avenue India Resurgence Pte. Ltd.'s Offered Shares and Investor Selling Shareholder's Offered Shares (equivalent to Investor Selling Shareholder's entire shareholding in the Company) will be Allotted in the following order of priority: (a) Investor Selling Shareholder's Offered Shares will be Allotted prior to the Allotment of any of Avenue India Resurgence Pte. Ltd.'s Offered Shares; and (b) once the Investor Selling Shareholder's Offered Shares have been Allotted as per (a) above, Avenue India Resurgence Pte. Ltd.'s Offered Shares will be Allotted.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company and the Selling Shareholders shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. It is clarified that, the Selling

Shareholders shall not be liable to pay any amounts as interest for any delay, unless such default or delay is solely and directly attributable to an act or omission of the Selling Shareholders and such liability shall be limited to the extent of their respective Offered Shares.

Arrangement for disposal of odd lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restriction on Transfer of Shares and Transmission of Equity Shares

Except for lock-in of the pre- Offer Equity Share capital of our Company, the lock-in of minimum Promoter's Contribution and the Anchor Investor lock-in in the Offer as detailed in "*Capital Structure*" beginning on page 91, and except as provided in the Articles of Association as detailed in "*Description of Equity Shares and Terms of the Articles of Association*" beginning on page 479, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/ splitting.

Withdrawal of the Offer

Our Company and Selling Shareholders, in consultation with the BRLMs, reserves the right not to proceed with the Offer at any time after the Bid/Offer Closing Date but before Allotment. In such an event, our Company will issue a public notice within two days from the Bid/ Offer Closing Date or such time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, will instruct the SCSBs or the Sponsor Banks, as the case may be, to unblock the bank accounts of the ASBA Bidders within one Working Day from the day of receipt of such instruction and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company withdraws the Offer after the Bid/Offer Closing Date and thereafter determines that they will proceed with a public offering of Equity Shares, our Company will file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

Notwithstanding the foregoing, the Offer is also subject to obtaining the (i) final listing and trading approvals of the Stock Exchanges, which our Company will apply for only after Allotment and within three Working Days from the Bid / Offer Closing Date or within such time period as prescribed under applicable law and (ii) the final RoC approval of the Prospectus after it is filed and/ or submitted with the RoC and the Stock Exchanges.

OFFER STRUCTURE

The Offer of up to 105,463,892 Equity Shares bearing face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] million comprising of an Offer for Sale of up to 105,463,892 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders.

The Offer shall constitute [●] % of the post-Offer paid-up Equity share capital of our Company.

The Offer is being made through the Book Building Process.

Particulars	QIBs(1)	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for Allotment/ allocation^(3)	Not more than [●] Equity Shares of face value of ₹ 10 each	Not less than [●] Equity Shares of face value of ₹ 10 each or Offer less allocation to QIBs and Retail Individual Investors	Not less than [●] Equity Shares of face value of ₹ 10 each or Offer less allocation to QIBs and Non-Institutional Investors
Percentage of Offer Size available for Allotment or allocation	Not more than 50% of the Offer shall be available for allocation to QIBs. 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs	Not less than 15% of the Offer or the Offer less allocation to QIBs and Retail Individual Investors will be available for allocation. One-third of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹ 1.00 million and undersubscription in either of these two subcategories of the Non-Institutional Category may be allocated to Bidders in the other subcategory of the Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.	Not less than 35% of the Offer or the Offer less allocation to QIBs and Non-Institutional Investors will be available for allocation
Basis of Allotment if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares of face value of ₹ 10 each shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares of face value of ₹ 10 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (of up to [●] Equity Shares of face value of ₹ 10 each) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Category shall be subject to the following: (a) One-third of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹ 0.20 million and up to ₹1.00 million; and (b) Two-thirds of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹1.00 million The unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors The allotment of specified securities to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability in the Non-Institutional Category, and the remainder, if any, shall be allotted on a proportionate basis in	Allotment to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares shall be allocated on a proportionate basis. For details, see "*Offer Procedure*" beginning on page 459

Particulars	QIBs[1]	Non-Institutional Investors	Retail Individual Investors
		accordance with the conditions specified in the SEBI ICDR Regulations.	
Mode of Bidding*	Through ASBA process only (excluding the UPI Mechanism) (except in case of Anchor Investors)	Through ASBA process only (including the UPI Mechanism for Bids up to ₹ 0.5 million)	Through ASBA process only (including the UPI Mechanism)
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 10 each so that the Bid Amount exceeds ₹ 0.20 million	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 10 each so that the Bid Amount exceeds ₹ 0.20 million	[●] Equity Shares of face value of ₹ 10 each and in multiples of [●] Equity Shares of face value of ₹ 10 each thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 10 each so that the Bid does not exceed the Offer size (excluding the Anchor Category), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 10 each so that the Bid does not exceed the Offer size (excluding the QIB Portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 10 each so that the Bid Amount does not exceed ₹ 0.20 million
Mode of Allotment	Compulsorily in dematerialised form		
Bid Lot	[●] Equity Shares of face value of ₹ 10 each and in multiples of [●] Equity Shares of ₹ 10 each thereafter		
Allotment Lot	[●] Equity Shares of face value of ₹ 10 each and in multiples of one Equity Share of face value of ₹ 10 thereafter for QIBs and Retail Individual Investors. For Non-Institutional Investors allotment shall not be less than the minimum Non-Institutional application size.		
Trading Lot	One Equity Share		
Who can Apply[3][4][5][6]	Public financial institutions specified in Section 2(72) of the Companies Act 2013, FPIs registered with SEBI (other than individuals, corporate bodies and family offices), scheduled commercial banks, mutual funds registered with the SEBI, venture capital funds registered with SEBI, FVCIs, Alternative Investment Funds, multilateral and bilateral development financial institutions, state industrial development corporations, NBFC-SI, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of ₹ 250 million, pension funds with a minimum corpus of ₹ 250 million registered with the Pension Fund Regulatory and Development Authority established under subsection (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, the National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India, insurance funds set up and managed by the army, navy, or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India	Resident Indian individuals, HUFs (in the name of Karta), companies, corporate bodies, Eligible NRIs, scientific institutions, societies and trusts and any individuals, corporate bodies and family offices which are recategorised as category II FPI (as defined in the SEBI FPI Regulations) and registered with SEBI	Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs
Terms of Payment	***In case of Anchor Investors***: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[5] ***In case of all other Bidders***: Full Bid Amount shall be blocked by the SCSBs in the bank account of the Bidders, or by the Sponsor Banks through the UPI Mechanism (other than Anchor Investors) that is specified in the ASBA Form at the time of the submission of the ASBA Form		

^ *Assuming full subscription in the Offer.*

* *SEBI ICDR Master Circular, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIBs and RIIs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.*

(1) *Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 50 million per Anchor Investor, and (iii) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof will be permitted, subject to minimum allotment of ₹ 50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the Anchor Investor Allocation Price. The allocation of Equity Shares in the Offer, and the Basis of Allotment and Allotment shall be finalized by the Company, in consultation with the Book Running Lead Managers and the Designated Stock Exchange, in accordance with Applicable Law. Pursuant to the Offer Agreement, the Company, Selling Shareholders and the BRLMs, agree that in case of under-subscription in the Offer, the Equity Shares will be Allotted in proportion to the Offered Shares being offered by each Selling Shareholder. In relation to Avenue India Resurgence Pte. Ltd.'s Offered Shares and the Investor Selling Shareholder's Offered Shares,, Avenue India Resurgence Pte. Ltd.'s Offered Shares and Investor Selling Shareholder's Offered Shares (equivalent to Investor Selling Shareholder's entire shareholding in the Company) will be Allotted in the following order of priority: (a) Investor Selling Shareholder's Offered Shares will be Allotted prior to the Allotment of any of Avenue India Resurgence Pte. Ltd.'s Offered Shares; and (b) once the Investor Selling Shareholder's Offered Shares have been Allotted as per (a) above, Avenue India Resurgence Pte. Ltd.'s Offered Shares will be Allotted.*

(2) *Subject to valid Bids being received at or above the Offer Price. This Offer is being made in accordance with Rule 19(2)(b) of the SCRR, through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer will be available for allocation to QIBs on a proportionate basis, provided that the Anchor Investor Portion may be allocated on a discretionary basis. Further, not less than 15% of the Offer will be available for allocation on a proportionate basis to Non-Institutional Investors of which one-third will be made available for allocation to Bidders with a Bid size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds will be available for allocation to Bidders with a Bid size of more than ₹ 1.00 million and undersubscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer will available for allocation to Retail Individual Investors in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in any category, except the QIB Portion, would be met with spill-over from any other category or categories, as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to valid Bids being received at or above the Offer Price and in accordance with applicable laws. Under-subscription, if any, in the Net QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.*

(3) *If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.*

(4) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Form, provided that any difference between the price at which Equity Shares are allocated to the Anchor Investors and the Anchor Investor Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.*

(5) *Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 and the UPI Circulars (the "**General Information Document**"), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The bidders should note that the details and process provided in the General Information Document should be read along with this section.*

*Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of Bidders eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note ("**CAN**") and Allotment in the Offer; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Bid cum Application Form); (viii) designated date; (ix) disposal of applications;(x) submission of Bid cum Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.*

*SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 as amended from time to time, including pursuant to circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**") with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019(to the extent this circular is not rescinded by the SEBI RTA Master Circular). Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-2019 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Investors ("**UPI Phase III**") has been made mandatory for public issues opening on or after December 1, 2023. Accordingly, the Offer will be made under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time, including with respect to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. Further, SEBI vide its circular (SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021 and circular (SEBI/HO/CFD/DIL2/P/CIR/2021/570) dated June 2, 2021 SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2022/51) dated April 20, 2022 and SEBI circular (SEBI/HO/CFD/DIL2/P/CIR/2022/75) dated May 30, 2022, had introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus.*

Furthermore, pursuant to SEBI circular (SEBI/HO/CFD/DIL2/P/CIR/P/2022/45) dated April 5, 2022, all individual bidders in initial public offerings whose Bid sizes are up to ₹ 0.5 million shall use the UPI Mechanism for submitting their Bids. Subsequently, pursuant to SEBI circular (SEBI/HO/CFD/DIL2/P/CIR/2022/75) dated May 30, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, which were subsumed by the SEBI master circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

Subsequently, the SEBI RTA Master Circular consolidated the aforementioned circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023) and rescinded these circulars to the extent relevant for the RTAs. Pursuant to SEBI master circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in T+3 Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process. Further, our Company, and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Offer.

Our Company, the Selling Shareholders and the Syndicate are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

Further, our Company, the Selling Shareholders and the members of the Syndicate do not accept any responsibility for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Offer.

Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023 issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023 issued by CDSL, our Company may request the Depositories to suspend/ freeze the ISIN in depository system till listing/ trading effective date. Pursuant to the aforementioned circulars, our Company may request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of the Red Herring Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-Offer shares may request our Company and/ or the Registrar for facilitating transfer of shares under suspended/ frozen ISIN by submitting requisite documents to our Company and/ or the Registrar. Our Company and/ or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/ Offer Opening Date.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations, through the Book Building Process in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation to QIBs on a proportionate basis, provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. In case of under- subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares will be added back to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors, of which one-third of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹ 1.00 million and under- subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category. Further not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except the Net QIB Portion, would be allowed to be met with spill- over from any other category or a combination of categories, as applicable, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws. However, under-subscription, if any, in the Net QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. In accordance with Rule 19(2)(b) of the SCRR, the Offer will constitute at least [●]% of the post Offer paid-up Equity share capital of our Company, respectively.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification by the Central Board of Direct Taxes dated February 13, 2020 read with press releases dated June 25, 2021 and September 17, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, and UPI ID (for UPI Investors Bidding through the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Phased implementation of Unified Payments Interface ("UPI")

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. SEBI through its SEBI ICDR Master Circular, has reduced the time period for listing of equity shares pursuant to a public issue from six Working Days to three Working Days. The timeline was applicable on a voluntary basis for public issues opening on or after September 1, 2023 and has been made applicable on a mandatory basis for public issues opening on or after December 1, 2023. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase became applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever was later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.

SEBI through its circular SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, prescribed that all individual bidders applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 0.50 million, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 0.20 million and up to ₹0.50 million, using the UPI Mechanism, shall provide their UPI ID in the Bid cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The processing fees for applications made by UPI Bidders may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as the Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**UPI Streamlining Circular**") and SEBI ICDR Master Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streamlining Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI ICDR Master Circular NPCI vide circular reference no. NPCI/UPI/OC No. 127/ 2021-22 dated December 09, 2021, inter alia, has enhanced the per transaction limit in UPI from more than ₹ 0.2 million to ₹ 0.5 million for UPI based ASBA in initial public offerings.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Offer BRLMs will be required to compensate the concerned investor.

Electronic registration of Bids

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer, subject to applicable laws.

b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids until such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given until 5:00 pm IST on the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

d) QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at relevant Bidding Centers and at our Registered and Corporate Office. The Bid cum Application Forms will also be available for download on the websites of NSE (www.nseindia.com) and the BSE (www.bseindia.com) at least one day prior to the Bid/ Offer Opening Date.

For Anchor Investors, the Bid cum Application Forms will be available at the offices of the BRLMs.

Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

Bidders (other than Anchor Investors and UPI Investors Bidding using the UPI Mechanism) must provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Form that does not contain such detail are liable to be rejected.

UPI Investors Bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the ASBA Form. ASBA Forms that do not contain the UPI ID are liable to be rejected. UPI Investors Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Further, Bidders shall ensure that the Bids are submitted at the Bidding Centres only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid cum Application Forms) and ASBA Forms not bearing such specified stamp maybe liable for rejection. Bidders, using the ASBA process to participate in the Offer, must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked therein.

Pursuant to the SEBI ICDR Master Circular, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The ASBA Bidders, including UPI Investors, shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder.

The prescribed colours of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form(1)
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual	[●]
Investors and Eligible NRIs applying on a non-repatriation basis(2)	[●]
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions(2)	[●]
Anchor Investors(3)	[●]

(1) *Excluding electronic Bid cum Application Forms*
(2) *Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com) and the BSE (www.bseindia.com).*
(3) *Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLMs.*

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Our Company has not registered and does not intend to register under the U.S. Investment Company Act. Accordingly, the Equity Shares are being offered and sold (i) to persons in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both U.S. QIBs and QPs, pursuant to section 4(a) of the U.S. Securities Act and Section 3(c)(7) of the U.S. Investment Company Act and (ii) outside the United States to investors that are not U.S. persons nor persons acquiring for the account or benefit of U.S. Persons in "offshore transactions", as defined in, and in reliance on, Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Forms (except ASBA Forms submitted by UPI Investors Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. For UPI Investors using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis to enable the Sponsor Banks to initiate a UPI Mandate Request to such UPI Investors for blocking of funds. Designated Intermediaries (other than SCSBs) shall not accept any ASBA Form from a UPI Investor who is not Bidding using the UPI Mechanism.

Stock Exchanges shall validate the electronic bids with the records of the depository for DP ID/Client ID and PAN, on a real time basis through API integration and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID (but not both), bank code and location code in the Bid details already uploaded. For UPI Investors using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis through API integration to enable the Sponsor Banks to initiate UPI Mandate Request to UPI Investors for blocking of funds. The Sponsor Banks shall initiate request for blocking of funds through NPCI to UPI Investors, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The Sponsor Banks will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any.

For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI ICDR Master Circular. For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Investors Bidding using through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

Further, the Sponsor Banks will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with BRLMs the in the format and within the timelines as specified under the UPI Circulars. Sponsor Banks and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data.

Participation by Promoters, Promoter Group, BRLMs, associates and affiliates of the BRLMs and the Syndicate Members and the persons related to Promoters, Promoter Group, BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their respective underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except for Mutual Funds which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs or AIFs sponsored by entities which are associates of the BRLMs or FPIs (other than individuals, corporate bodies and family offices) which are associates of the BRLMs or pension funds sponsored by entities which are associates of the BRLMs, no BRLMs or their respective associates can apply in the Offer under the Anchor Investor Portion. For details, see "*Offer Procedure - Bids by Anchor Investors*" on page 467.

Further, the Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer, except in accordance with applicable law. Furthermore, persons related to the Promoters and the Promoter Group shall not apply in the Offer under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholders' agreement or voting agreement entered into with any of the Promoters or members of the Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to the Promoters or Promoter Group of our Company.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of ASBA Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs applying on a repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Investors Bidding through the UPI Mechanism) to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") accounts, and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Investors Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid amount, at the time of submission of the ASBA Form.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non- Residents ([●] in colour).

Participation of Eligible NRI(s) in the Offer shall be subjected to the FEMA Rules.

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form. In accordance with the FEMA rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall 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 shall 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 warrant. Provided that 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.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour).

For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 477.

Bids by persons whose aggregate shareholding in our Company exceeds 10% of our paid-up Equity Share capital

In terms of the SARFAESI Act, 2002 read with ARC Master Directions, every person holding ten per cent or more of the paid-up Equity Share capital of an asset reconstruction company, shall be classified as a sponsor, which shall require prior approval of RBI.

Accordingly, no person shall make Bids for such number of Equity Shares which may result in such person, holding 10% or more of the paid-up Equity Share capital in our Company. For details, see "*Key Regulations and Policies*" beginning on page 198.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs, should be made in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or First Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

Bids by FPIs

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA Rules and Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations 2019 ("**SEBI FPI Regulations**"), investment in the Equity Shares by a single FPI or an investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% or common control) shall be below 10% of our post-Offer Equity share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up equity 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 issued that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates (i.e. 100% under the automatic route in our case). The aggregate limit may be decreased below the sectoral cap to a threshold limit of 24% or 49% or 74% as deemed fit by way of a resolution passed by our Board followed by a special resolution passed by the Shareholders of our Company. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for Offer procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

(a) such offshore derivative instruments are issued only by persons registered as category I FPIs;

(b) such offshore derivative instruments are issued only to persons eligible for registration as category I FPIs;

(c) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and

(d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that any transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)) and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Participation of FPIs in the Offer shall be subject to the FEMA Rules.

Further, Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI FPI Regulations (such structure "**MIM Structure**") provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation.

In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected. Further, in the following cases, Bids by FPIs shall not be treated as multiple Bids: (i) FPIs which utilise the MIM Structure, indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments ("**ODI**") which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as category I FPIs; and (vii) Entities registered as collective investment scheme having multiple share classes.

Bids by SEBI registered Alternative Investment Funds, Venture Capital Funds and Foreign Venture Capital Investors

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the "**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, the venture capital funds which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended prescribe the investment restrictions on FVCIs.

The category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A category III AIF cannot invest more than 10% of its investible funds in one investee company. A VCF registered as a category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. An FVCI can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations).

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Selling Shareholders and the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason therefor, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "**Banking Regulation Act**"), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate equity investments in subsidiaries and other entities engaged in financial and non-financial services, including overseas investments, cannot exceed 20% of the bank's paid-up share capital and reserves. However, a banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the

RBI, provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt, or to protect the bank's interest on loans/investments made to a company.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI ICDR Master Circular issued by the SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, the Company reserves the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("**IRDA Investment Regulations**"), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for NBFC-SI shall be as prescribed by RBI from time to time.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLMs, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLMs, may deem fit.

Bids by Anchor Investors

In accordance with the SEBI Regulations, the key terms for participation by Anchor Investors are provided below:

a) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the Book Running Lead Managers.

b) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100 million.

c) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

d) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date.

e) Our Company, in consultation with the Book Running Lead Managers] will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100 million; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and (c) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum allotment of ₹ 50 million per Anchor Investor.

f) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation will be made available in the public domain by the Book Running Lead Managers before the Bid/ Offer Opening Date, through intimation to the Stock Exchanges.

g) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

h) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.

i) 50% Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked –in for a period of 90 days from the date of Allotment and the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.

j) Except for Mutual Funds which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs or AIFs sponsored by entities which are associates of the BRLMs or FPIs (other than individuals, corporate bodies and family offices) which are associates of the BRLMs or pension funds sponsored by entities which are associates of the BRLMs, no BRLMs or their respective associates can apply in the Offer under the Anchor Investor Portion.

k) Further, an Anchor Investor shall be deemed to be an "associate of the BRLM" if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

For more information, please read the General Information Document.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million registered with the Pension Fund Regulatory and Development Authority established under sub- section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason therefor.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulations and as specified in this Draft Red Herring Prospectus. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act 2013, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language in Maharashtra, where our Registered Office is located). Our Company shall, in the pre-Offer advertisement state the Bid/ Offer Opening Date, the Bid/ Offer Closing Date and the QIB Bid/ Offer Closing Date, if any. This advertisement, subject to the provisions of Section 30 of the Companies Act 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment Advertisement

Our Company, the BRLMs and the Registrar shall publish an allotment advertisement not later than one day after the trading, disclosing the date of commencement of trading in all editions of English national daily newspaper, [●], all editions of Hindi national daily newspaper, [●] editions of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language in Maharashtra, where our Registered and Corporate Office is located).

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company intends to enter into an underwriting agreement with the Underwriters on or immediately after the determination of the Offer Price. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the Acknowledgment Slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be Allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders and/or the Book Running Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

The Offer shall be opened after at least three Working Days from the date of filing of the Red Herring Prospectus with the RoC.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than UPI Investors Bidding using the UPI Mechanism) in the Bid cum Application Form (with a maximum length of 45 characters) and such ASBA account belongs to you and no one else. Further, UPI Investors using the UPI Mechanism must also mention their UPI ID and shall use only his/her own bank account which is linked to his/her UPI ID;

4. UPI Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

5. UPI Investors Bidding using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Investors shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

6. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

7. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialized form only;

8. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Investors using UPI Mechanism, may

submit their ASBA Forms with Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;

9. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;

10. If the First Bidder is not the ASBA Account holder (or the UPI-linked bank account holder, as the case may be), ensure that the Bid cum Application Form is signed by the ASBA Account holder (or the UPI- linked bank account holder, as the case may be). Bidders (except UPI Investors Bidding using the UPI Mechanism) should ensure that they have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Bid cum Application Form. UPI Investors Bidding using the UPI Mechanism should ensure that they have mentioned the correct UPI-linked bank account number and their correct UPI ID in the Bid cum Application Form;

11. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

12. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

13. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or by specifying the application number for all your Bid options as proof of registration of the Bid cum Application Form from the concerned Designated Intermediary;

14. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;

15. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of SEBI circular (MRD/DoP/Cir-20/2008) dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of SEBI circular (MRD/DoP/Cir-09/06) dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/ bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

17. Ensure that the Demographic Details are updated, true and correct in all respects;

18. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

19. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

20. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents, including a copy of the power of attorney, are submitted;

21. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

22. Bidders (except UPI Investors Bidding using the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA Account under the ASBA process. UPI Investors Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Banks to authorise blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment, in a timely manner;

23. Note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilize the MIM Structure and such Bids such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;

24. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Investors) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in);

25. Ensure that you have correctly signed the authorization /undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

26. UPI Investors Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, the Retail Individual Investor may be deemed to have verified the attachment containing the application details of the UPI Investors Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Banks to issue a request to block the Bid Amount mentioned in the ASBA Form in his/her ASBA Account;

27. UPI Investors Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the ASBA Form;

28. UPI Investors Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Banks to authorise blocking of funds equivalent to the revised Bid Amount in his/her account and subsequent debit of funds in case of allotment in a timely manner;

29. UPI Bidders Bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

30. Bids by Eligible NRIs, HUFs and FPIs other than individuals, corporate bodies and family offices, for a Bid Amount of less than ₹ 0.20 million would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 0.20 million would be considered under the Non- Institutional Category for allocation in the Offer;

31. Ensure that Bids above ₹ 0.50 million submitted by ASBA Bidders are uploaded only by the SCSBs;

32. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs;

33. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus.;

34. Ensure that UPI Mandate Requests are received from the Sponsor Banks prior to 5:00 p.m. IST on the Bid/Offer Closing Date; and

35. In accordance with SEBI press release PR No. 27/ 2021 dated September 3, 2021, ensure that your PAN is linked with AADHAAR and you are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021.

Don’ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not Bid on another Bid cum Application Form, as the case may be after you have submitted a Bid to a Designated Intermediary;

4. Do not submit the ASBA Forms to any non-SCSB Banks or to our Company or at a location other than the Bidding Centers;

5. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

6. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

7. Anchor Investors should not Bid through the ASBA process;

8. If you are a UPI Investor and are using the UPI Mechanism, do not submit more than one Form from each UPI ID.

9. Do not submit the Bid cum Application Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centers;

10. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

11. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

12. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

13. Do not submit your Bid after 3.00 pm on the Bid/ Offer Closing Date;

14. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/ Offer Closing Date;

15. Do not Bid for Equity Shares in excess in excess of what is specified for each category;

16. Do not Bid for a Bid Amount exceeding ₹ 0.20 million for Bids by Retail Individual Investors

17. Do not submit the General Index Register (GIR) number instead of the PAN;

18. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

19. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Investors Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;

20. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;

21. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

22. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Investors using the UPI Mechanism;

23. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹0.5 million ;

24. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

25. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

26. Do not submit more than one Bid cum Application Form per ASBA Account;

27. Do not submit a Bid using UPI ID, if you are not a UPI Investor;

28. Do not submit an ASBA Form with third party linked UPI ID or using a third party bank account (in case of Bids submitted by UPI Investors using the UPI Mechanism); and

29. Do not submit ASBA Forms to a Designated Intermediary at a Bidding Centre unless the SCSB where the ASBA Account is maintained, as specified in the ASBA Form, has named at least one branch in the relevant Bidding Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).

For helpline details of the BRLMs pursuant to the SEBI ICDR Master Circular, see "*General Information – Book Running Lead Managers*" on page 84.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amounts;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Banks);

6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

7. Bids submitted without the signature of the First Bidder or Sole Bidder;

8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular no. CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

10. GIR number furnished instead of PAN;

11. Bids by RIBs Bidding in the Retail Portion with Bid Amount of a value of more than ₹200,000;

12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

13. Bids by Eligible Employees Bidding in the Employee Reservation Portion with Bid Amount of a value of more than ₹500,000(net of Employee Discount, if any, as applicable);

14. Bids accompanied by stock invest, money order, postal order or cash; and

15. Bids by QIBs uploaded after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges.

Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Compliance Officer and Company Secretary. For details of the Compliance Officer and Company Secretary, see "*General Information*" beginning on page 83.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer through the Offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock

Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Offer to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Investors, Non-Institutional Investors and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

The Allotment to each Non-Institutional Investor shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis, which shall be subject to the following, and in accordance with the SEBI ICDR Regulations: (i) one-third of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-thirds of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹ 1.00 million, provided that under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub- category of Non-Institutional Category.

Payment into Escrow Account for Anchor Investors

Our Company, in consultation with the BRLMs in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT). The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

(i) In case of resident Anchor Investors: "[●]"

(ii) In case of non-resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collections of Bid Amounts from Anchor Investors.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among the Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated June 12, 2025 among NSDL, the Company and Registrar to the Offer.
- Agreement dated May 15, 2025 among CDSL, the Company and Registrar to the Offer.

Undertakings by our Company

Our Company undertakes the following:

(i) That the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

(ii) If Allotment is not made within the prescribed time under applicable law, application monies will be refunded/unblocked in the ASBA Accounts within four days from the Bid/ Offer Closing Date or such other time as may be specified by SEBI, failing which our Company shall pay interest prescribed under the Companies Act 2013 and the SEBI ICDR Regulations for the delayed period;

(iii) That all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within three Working Dyas after the Bid/Offer Closing Date or such timeline as may be prescribed by SEBI;

(iv) That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by the Company;

(v) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

(vi) That, except for any allotment of Equity Shares to employees of our Company pursuant to exercise of stock options granted under the ESOP Plans, no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/ unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;

(vii) That if our Company does not proceed with the Offer after the Bid/ Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

(viii) That if our Company withdraws the Offer after the Bid/ Offer Closing Date, our Company shall be required to file a fresh draft offer document with the SEBI, in the event our Company subsequently decides to proceed with the Offer;

(ix) That the Allotment Advice/refund confirmation to Eligible NRIs shall be dispatched within specified time;

(x) That adequate arrangements shall be made to collect all Bid cum Application Forms; and

(xi) That our Company shall not have recourse to money raised in the Offer Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

Undertakings by the Selling Shareholders

The Selling Shareholders severally and not jointly undertake and/ or confirm the following:

(i) The Equity Shares offered pursuant to the Offer for Sale have been held by the Selling Shareholders for a period of at least one year prior to the date of this Draft Red Herring Prospectus, and are free and clear of any liens or encumbrances and, to the extent that the Equity Shares being offered have resulted from a bonus issue, the bonus issue has been on equity shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;

(ii) The Selling Shareholders are the legal and beneficial owners of their respective Equity Shares and have full title to their respective Equity Shares being offered through the Offer for Sale;

(iii) The Selling Shareholders will not sell, transfer, dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares offered in the Offer for Sale;

(iv) The Selling Shareholders shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;

(v) The Selling Shareholders will take all such steps as may be required to ensure that the Equity Shares being sold by them in the Offer for Sale are available for transfer in the Offer for Sale; and

(vi) It will provide assistance to the Company, as may be reasonably required and necessary in accordance with applicable laws, for the completion of the necessary formalities in relation to the Equity Shares being offered by it under the Offer for Sale.

The Selling Shareholders have authorized the Company Secretary and Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Further each of the Selling Shareholders, severally and not jointly, undertakes, in relation to itself as a Selling Shareholders and its respective portion of the Offered Shares that

- it shall transfer its Offered Shares to an escrow demat account in accordance with the Share Escrow Agreement; and
- it shall not have recourse to its respective portion of proceeds of the Offer for Sale until final approval for trading of the Equity Shares of face value of ₹10 each from the Stock Exchanges has been received.

Only the statements and undertakings provided above, in relation to each of the Selling Shareholders and its respective portion of the Offered Shares, are statements which are specifically confirmed or undertaken, severally and not jointly, by each of the Selling Shareholders in relation to itself and its respective portion of the Offered Shares.

Utilization of Offer Proceeds

Our Company will not receive any proceeds from the Offer as the Offer is by way of an Offer for Sale by the Selling Shareholders. Our Board of Directors certifies and declares that all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;

RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The responsibility of granting approval for foreign investment under the Consolidated FDI Policy (defined herein below) and FEMA has been entrusted to the concerned ministries / departments.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India ("**DPIIT**") issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (the "**Consolidated FDI Policy**"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. The RBI and the concerned ministry/department are responsible for granting the approval for foreign investment under the FDI Circular and FEMA. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

In terms of Press Note 3 of 2020, dated April 17, 2020, issued by the DPIIT, the FDI Policy and the FEMA Non-debt Instruments Rules has been amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India.

As per the FEMA Non-debt Instruments Rules and FDI Policy read with Press Note, 100% foreign direct investment is permitted under the automatic route for asset reconstruction companies, however, investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India.

With effect from April 1, 2020, the aggregate limits for FPI investments are the sectoral caps applicable to our Company. Each Bidder should seek independent legal advice about its ability to participate in the Offer and in our Company. In the event a prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/ Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

For further details, see "*Offer Procedure*" beginning on page 459.

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Our Company has not registered and does not intend to register under the U.S. Investment Company Act. Accordingly, the Equity Shares are being offered and sold (i) to persons in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both U.S. QIBs and QPs, pursuant to section 4(a) of the U.S. Securities Act and Section 3(c)(7) of the U.S. Investment Company Act and (ii) outside the United States to investors that are not U.S. persons nor persons acquiring for the account or benefit of U.S. Persons in "offshore transactions", as defined in, and in reliance on, Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. The Equity Shares may not be re-offered, re-sold, pledged or otherwise transferred except in an offshore transaction in accordance with Regulation S to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (including, for the avoidance of doubt, a bona fide sale on the BSE or the NSE). See "*Other Regulatory and Statutory Disclosures – Eligibility and transfer restrictions*" on page 436.

As we are relying on an analysis that our Company does not come within the definition of an "investment company" under the U.S. Investment Company Act because of the exception provided under section 3(c)(7) thereunder, our Company may be considered a "covered fund" as defined in the Volcker Rule. See "*Risk Factors - External Risks – Our Company is not, and does not intend to become, regulated as an investment company under the U.S. Investment Company Act and related rules. The Volcker Rule may affect the ability of certain types of entities to purchase the Equity Shares*" on page 63.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

COMPANY LIMITED BY SHARES

THE COMPANIES ACT, 2013[4]

***ARTICLES OF ASSOCIATION- PART A**

OF

Asset Reconstruction Company (India) Limited

TABLE F EXCLUDED

These Articles consist of two parts, Part A and Part B. The provisions of Part A shall apply to all the matters to which they pertain, to the extent, and only, insofar, as they are not inconsistent, contradictory, conflicting, or overlapping with the provisions of Part B, and Part B shall stand automatically terminated on the date of the listing of the Company, not having any force, and shall be deemed to be removed from the Articles of Association, and the provisions of Part A shall come into effect and be in force, without any further corporate or other action by the Company or its Shareholders, unless specified otherwise in these Articles. As long as Part B remains a part of these Articles, in the event of any conflict or inconsistency, the provisions of Part B shall prevail over the provisions of Part A to the maximum extent permitted under the Act.

Table F not to apply (except as expressly provided in These Presents)	1.	The Regulations contained in Table F (in Schedule I of the Companies Act, 2013) or any amendment thereto shall not apply to the Company except insofar as the same are repeated, contained, or expressly made applicable in These Presents or by the Act or the rules made thereunder from time to time.
Company to be governed by these Articles	2.	The Regulations for the management of the Company and for the observance by the Members thereof and their representatives shall, subject as aforesaid and to any exercise of the statutory powers of the Company in reference to the repeal or alteration of or addition to its Regulations by special resolution, as prescribed or permitted by the Companies Act, 2013, be such as are contained in Table F of the Schedule I to the Companies Act, 2013, except as otherwise provided/modified impliedly or expressly by the following Articles.

INTERPRETATION

"Interpretation Clause'	3.	In These Presents, unless there be something in the subject or context inconsistent therewith:
"Articles"		Articles shall mean these articles of association of the Company as altered from time to time.
"Applicable Law"		Applicable Law shall mean all applicable statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, by-laws, Regulations, notifications, guidelines, policies, directions, directives, orders, and administrative interpretations, decisions, or determinations by any government authority, statutory authority, tribunal, board, court, or recognised stock exchanges on which the securities may be listed.
"Audit Committee"		Audit Committee shall mean audit committee as defined under Section 177 of the Companies Act, 2013.
"The Act " or "the said Act"		"The Act" or "the said Act" means "the Companies Act, 2013," as amended or substituted from time to time, and includes any rules, Regulations, notifications, circulars, instruments, or orders made under the Act to the extent notified and in force, each as amended from time to time. The term "The Act" or "the said Act" also means the Companies Act, 1956, and the

[4] The Company was incorporated under the Companies Act, 1956

* Substituted *vide Special Resolution passed by the members of the Company at its Extraordinary General Meeting held on March 16, 2015*

	Rules and Regulations made thereunder for the limited purpose of reference to the provisions that are effective.
"Board" or "Board of Directors"	"Board" or "Board of Directors" means the collective body of the directors of the Company.
"Beneficial Owner"	"Beneficial Owner" means a person whose name is recorded as such with a Depository.
"Bye-Laws"	"Bye-Laws" mean bye-laws as defined in Section 2(1)(a) and made by a depository under Section 26 of the Depositories Act;
"The Company"	"The Company" means "Asset Reconstruction Company (India) Limited."
"Depositories Act"	"Depositories Act" means the Depositories Act, 1996, including any statutory modifications or re-enactment thereof for the time being in force;
"Depository"	"Depository" means a depository, as defined in clause I of sub-section (1) of Section 2 of the Depositories Act, and a Company formed and registered under the Companies Act, 1956, or the Companies Act, 2013, and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992;
"Director" or "Directors"	"Director" or "Directors" means the director or directors appointed to the Board of the Company and includes any person occupying the position of a director by whatever name called as defined under section 2(34) of the Act and appointed in accordance with these Articles.
"Financial Year"	"Financial Year" means the period of twelve Months of a calendar ending on March 31 for which accounts, balance sheet and profit and loss account have to be prepared by the Company.
"Foreign Shareholder"	"Foreign Shareholder" means a shareholder of the Company who is not a person resident in India, within the meaning of the Foreign Exchange Management Act, 1999.
"Independent Director"	"Independent Director" means an independent director referred to in subsection (6) of section 149 of the Act.
"Members"	"Members," in relation to a Company, means: (i) The subscriber to the memorandum of the Company who shall be deemed to have agreed to become member of the Company, and on its registration, shall be entered as member in its register of Members. (ii) every other person who agrees in writing to become a member of the Company and whose name is entered in the register of Members of the Company. (iii) every person holding shares of the Company and whose name is entered as a Beneficial Owner in the Records of a depository.
"Memorandum"	"Memorandum" means the memorandum of association of the Company as altered from time to time.
"Month"	"Month" means calendar month.
"The Office"	"The Office" means the registered office for the time being of the Company.
"Other Shareholders"	"Other Shareholders" means Shareholders other than the Sponsors.
"These Presents"	"These presents" means these Articles of Association as originally framed or as altered and amended from time to time.

"Record"	"Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the Regulations made by SEBI;
"The Register"	"The Register" means the Register of Members kept by the Company pursuant to Section 88(1) of the Act.
"The Registrar"	"The Registrar" means a registrar, an additional registrar, a joint registrar, a deputy registrar or an assistant registrar having the duty of registering companies and discharging various functions under this Act.
"Related Party"	"Related Party," with reference to a Company, means— (i) a director or his relative; (ii) a Key Managerial Personnel or his relative; (iii) a firm in which a director, manager, or his relative is a partner; (iv) a private Company in which a director or manager or his relative is a member or director; (v) a public Company in which a director or manager is a director and holds, along with his relatives, more than two per cent of its paid-up share capital; (vi) any body corporate whose board of directors, managing director, or manager is accustomed to act in accordance with the advice, directions, or instructions of a director or manager; (vii) any person on whose advice, directions, or instructions a director or manager is accustomed to act: Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity; (viii) any body corporate which is— A. a holding, subsidiary, or an associate Company of such Company; B. a subsidiary of a holding Company to which it is also a subsidiary; or C. an investing Company or the venturer of the Company. Explanation. — For the purpose of this clause, "the investing Company or the venturer of a Company" means a body corporate whose investment in the Company would result in the Company becoming an associate Company of the body corporate]; (ix) such other person as may be prescribed;
"Regulations"	"Regulations" means the regulations made by SEBI;
"SARFAESI"	"SARFAESI" means the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, and includes any rules, Regulations, guidelines, or directions that may be issued thereunder from time to time and includes any modification or re-enactment or substitution thereof for the time being in force in respect of the same.
"The Seal"	"The Seal" means the common seal for the time being of the Company.
"SEBI"	"SEBI" means the Securities and Exchange Board of India.

“Security”		“Security” means such security as may be specified by SEBI.
“Shareholder”		“Shareholders” shall mean the duly registered holder from time to time of the shares of the Company and includes the subscribers to the Memorandum and, in the case of shares held by a Depository, the Beneficial Owners whose names are recorded as such with the Depository.
“Shares”		“Shares” means share in the share capital of the Company and includes stock where a distinction between stocks and shares is expressed or implied;
“Sponsor”		“Sponsor” shall mean Sponsor as defined in Section 2 (1) (zh) of the SARFAESI.
“Stock Exchanges”		“Stock Exchanges” shall mean BSE Limited and the National Stock Exchange of India Limited or such other stock exchange as the SEBI may deem fit.
“In Writing” or “Written”		“In Writing” or “Written” shall include printing and lithography and any other mode or modes of representing or reproducing words in a visible form.
“Persons”		The words importing persons shall include the central or state government, corporations, firms, individuals, trusts, societies, associations, and other bodies, whether incorporated or not.
Expression in the SARFAESI and the Act to bear the same meaning in the Article		Subject as aforesaid, any words or expressions defined in the Act and/or the SARFAESI, except where it is repugnant to the subject or context hereof, shall bear the same meaning in These Presents.
“Key Managerial Personnel”		“Key Managerial Personnel” means— (i) the Chief Executive Officer or the managing director or the manager; (ii) the company secretary; (iii) the whole-time director; (iv) the Chief Financial Officer; (v) such other officer, not more than one level below the directors, who is in whole-time employment, designated as Key Managerial Personnel by the Board; and (vi) Such other officer as may be prescribed under the Act and / or Rules from time to time.
“Chief Executive Officer”		“Chief Executive Officer” means an officer of the Company, who has been designated as such by it.
“Chief Financial Officer”		“Chief Financial Officer” means a person appointed as the Chief Financial Officer of the Company.

PRELIMINARY

Copies of the Memorandum and Articles of Association, etc to be furnished	4.	Copies of the Memorandum and Articles of the Company, and every Agreement and every resolution (referred to in Section 117 of the Act) shall be furnished to every Member at his request within such period and upon payment of such sum as may be prescribed by the Act and the rules made thereunder from time to time.

CAPITAL

Capital	5.	(a) The Authorised Share Capital of the Company shall be such amount, divided into such class(es) denomination(s) and number of Shares in the Company as stated in Clause V of the Memorandum of the Company, with power to increase or reduce such capital from time to

time and power to divide the Shares in the capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions as may be determined by or in accordance with the Articles and to vary, modify or commute or abrogate any such rights, privileges or conditions only in such manner as may for the time being be provided by these Articles or the Act. The rights of the Shareholders shall be determined at the time of issue thereof

The paid-up capital of the Company shall be a minimum of Rs. 5,00,000.

Buy-back of Shares or securities

(b) Notwithstanding anything contained in these Articles, but subject to the provisions of Sections 68 to 70 of the Act, in the event it is permitted by law for a Company to purchase its own Shares or securities, the Board of Directors may, when and if thought fit, buy back, such of the Company's own Shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, provision of section 67, 68 and SEBI (Buy Back of Securities) Regulations, 2018, as amended, as may be permitted by law.

Issue of Sweat Equity Shares

(c) The Company may exercise the powers of issuing sweat equity Shares of a class of Shares already issued subject to such conditions as may be specified in Section 54 of the Companies Act, 2013 and rules framed thereunder and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, and other Applicable Laws as amended from time to time and by whatever name called.

Employee Stock Option Scheme

(d) The Company may issue Shares to Employees including its Directors other than Independent Directors and such other Persons as may be permitted, under Employee Stock Option Scheme ("ESOP") or any other scheme, if authorized by a special resolution of the Company in General Meeting subject to the provisions of the Companies Act, the Rules and applicable guidelines made there under and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, and other Applicable Laws as amended from time to time and by whatever name called.

Power to issue Redeemable Preference Shares

(e) Subject to the provisions of Section 55 of the Act and other Applicable Laws, the Company shall have the power to issue preference shares that are, or at the option of the Company are liable to be, redeemed;

Provided that

i. no such Shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of Shares made for the purposes of the redemption;

ii. no such Shares shall be redeemed unless they are fully paid;

iii. the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's share premium account before the Shares are redeemed;

iv. where any such Shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits that would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "capital redemption reserve account" a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the Share capital of the Company shall, apply as if the capital redemption reserve account were paid-up share capital of the Company; and

v. such Shares shall be redeemed within a period of twenty (20) years from the date of their issue, or as may be prescribed under the Act.

Rights of Equity Shareholders on winding up of the Company

(f) Subject to the rights of the holders of any other Shares entitled by the terms of issue to preferential repayment over the equity Shares, in the event of winding up of the Company, the holders of the equity Shares shall be entitled to be repaid the amounts of capital paid-up or credited as paid-up on such equity Shares, and all surplus assets thereafter shall belong to the holders of the equity Shares in proportion to the amount paid-up or credited as paid-up on such equity Shares, respectively, at the commencement of the winding up.

Register of Members and Debenture holders

6. The Company shall cause to be kept a Register of Members and index of Members, a Register and index of debenture holders in accordance with the Act.

Closure of Register of Members, etc.

7. Not giving less than seven days notice, the Directors shall, subject to the provisions of Section 91 of the Act, have the power to close the Register of Members, Debenture Holders, and the registration of transfers of the Company.

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Foreign Register

8. The Company may exercise the powers conferred on it by Section 88(4) of the Act with regard to the keeping of a foreign register, and the Board may, subject to the provisions of the Act, make and vary such Regulations as it may think fit in respect of the keeping of any such register.

Inspection of the Register of Members, Debenture holders, etc.

9. (a) The Register of Members, index of Members, register and index of debenture holders, register of any other Security holders maintained by the Company under Section 88 and copies of all annual returns prepared under Section 92 of the Act together etc. with the copies of certificates and documents required to be annexed thereto under Section 92 of the Act shall, except when the Register of Members or Debenture holders is closed under the provisions of the Act or These Presents, be kept open to inspection at the Registered Office on any working day during business hours, of any Member or Debenture holder gratis, and to inspection of any other person on payment of such sum as may be prescribed by the Act.

Extracts or copy of Register, etc.

(b) Any such Member, Debenture Holder, or other Security holder or beneficial holder may make extracts therefrom without fee, as the case may be, or require a copy of any register, index, or copy, or of any part thereof, on payment of such sum as may be prescribed by the Act. The Directors may at their discretion, reduce or waive the sum payable for each inspection or extract.

The Company to send copy of Register, etc.

(c) The Company shall send to any Member, Debenture holder or other person, on request, a copy of the Register of Members, the index of Members, the Register and index of debenture holders, or any part thereof required under the Act, on payment of such sum as may be prescribed by the Act. The copy shall be sent within the period prescribed by the Act.

(d) The Company shall maintain its statutory registers, Records, books and returns in electronic form in compliance with the provisions of the Act and Applicable Law.

Nature and numbering of Shares

10. (1) In accordance with the provisions of the Act:

a) The Shares or other interest of any Member in the Company shall be moveable property, transferable in the manner provided hereunder.

b) Each share in the Company shall be distinguished by its appropriate number, except where such Shares are held with a Depository.

c) A certificate under the common seal of the company specifying any Shares held by any member shall be prima facie evidence of the title of the member to such Shares.

Shares to be numbered progressively and no Shares to be subdivided

(2) The Shares in the capital of the Company shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned in These Presents, no share shall be subdivided.

Dematerialisation of Securities

(3) The Company or an investor may exercise an option to issue, deal in, hold the Securities (including Shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act as amended from time to time or any statutory modification thereto or re-enactment thereof.

The Company shall cause to be kept a register and index of Beneficial Owners in accordance with all applicable provisions of the Companies Act and the Depositories Act, with details of Shares held in material and dematerialised forms in any media as may be permitted by law including in any form of electronic media. The Company shall be entitled to keep in any State or Country outside India, a branch Register of Beneficial Owners resident in that State or Country.

Options to receive Security certificates or hold securities with Depository

(4) Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository.

Where a person opts to hold a Security with a depository, the company shall intimate to such depository the details of allotment of the Security, and on receipt of such information, the depository shall enter in its record the name of the allottee as the Beneficial Owner of that Security.

Securities in depositories to be in fungible form

(5) All securities held by a Depository shall be dematerialised and shall be in a fungible form.

Rights of Depositories and Beneficial Owners

(6) (i) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner;

(ii) Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it;

(iii) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a depository.

Depository to furnish Information	(7)	Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the Bye-Laws and the Company in that behalf.
Service of documents	(8)	Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a Depository, the Records of the Beneficial Ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies, discs, or other such medium.
Option to opt out in respect of any Security	(9)	If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall, on receipt of information as above, make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the Regulations, issue the certificate of securities to the Beneficial Owner or the transferee, as the case may be.
Sections 45 and 56 of the Companies Act, 2013 not to apply	(10)	Notwithstanding anything to the contrary contained in the Articles: (i) Section 45 of the Companies Act, 2013, shall not apply to the Shares held with a Depository; (ii) Section 56 of the Companies Act, 2013, shall not apply to the transfer of Security affected by the transferor and the transferee, both of whom are entered as Beneficial Owners in the Records of a Depository.
Restriction on allotment	11.	The Directors shall observe the restrictions on allotment contained in Section 39 of the Act.
Shares at the disposal of the Directors	12.	Subject to the provisions of the Act and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the directors who may issue, allot or otherwise dispose off the same or any of them to such person in such proportion and such terms and conditions and either at a premium or at par on at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any Person or Persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call of Shares shall not be given to any Person or Persons without the sanction of the Company in the General Meeting.
Directors may allot Shares as fully paid-up or partly paid-up	13.	Subject to the provisions of the Act and other Applicable Laws, the directors may allot and issue Shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery supplied or for services rendered to the Company and any Shares that may be so allotted may be issued as fully paid-up or partly paid-up Shares, and if so issued, shall be deemed to be fully paid-up Shares or partly paid-up Shares.
Unclassified Shares	14.	Any unclassified Shares (whether forming part of the original capital or of any increased capital of the Company) may, subject to the provisions of the Act and These Presents, be issued, and in particular, such Shares may be issued with a differential, preferential, or qualified right as to dividends and in the distribution of the assets of the Company.

Issue of Shares by General Meeting	15.	In addition to and without derogating from the powers for this purpose conferred on the Directors under Article 12, the Company in General Meeting may subject to the provisions of Section 23 (1) and / or 42 of the Act determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such Persons (whether Members or holders of debentures of the Company or not) in such proportion and on such terms and conditions and either at a premium or at par, as such General Meeting may determine and with full power to give to any person (whether a Member or holder of debentures of the Company or not) the option to call for, or be allotted Shares of any class of the Company, either at par or at a premium, such option being exercisable at such time and for such consideration as may be directed by such General Meeting or the Company in General Meeting may, subject to the applicable provisions of the Act, make any other provisions whatsoever for the issue, allotment or disposal of any Shares.
Acceptance of Shares	16.	Any application signed by or on behalf of an applicant for Shares in the Company, followed by an allotment of any share therein, shall be an acceptance of Shares within the meaning of These Presents; and every person who thus or otherwise accepts any Shares and whose name is entered in the Register of Members shall for the purpose of These Presents be a Member.
Deposit and calls, etc to be debt payable immediately	17.	The money (if any) that the Directors shall, on the allotment of any share(s) being made by them, require or direct a debt payable immediately to be paid by way of deposit, call, or otherwise, in respect of any share(s) allotted by them, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
Installments on Shares	18.	If, by the conditions of allotment of any Shares, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment shall, when due, be paid up to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.
Calls on shares of the same class to be on uniform basis	19.	Where any calls for further share capital are made on the same shares, such calls shall be made on a uniform basis on all Shares falling under the same class. For the purposes of this Article, Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.
Company not bound to recognise any interest in Shares other than of the registered holders	20.	Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognise any benami trust or equity or equitable, contingent, or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.
Company's funds may not be employed/ lent for acquiring Shares of the Company	21.	Except to the extent allowed by Section 67 of the Act no part of the funds of the Company shall be employed/lent for acquiring the Shares of the Company.

UNDERWRITING COMMISSION

Commission for subscribing to Shares	22.	The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares, debentures, or other securities of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any Shares, debentures or other securities of the Company, but so that if the commission in respect of the Shares, debentures, or other securities shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with, and the amount or rate of commission

shall not exceed the rates prescribed by the Act. The commission may be paid or satisfied in cash or in Shares, debentures or other securities of the Company or partly in one and partly in the other. The Company may also, on any issue of Shares, debentures, or other securities, pay such brokerage as may be lawful.

CERTIFICATES

Issue of Certificates

23. (a) The certificates of Shares shall be issued in accordance with the provisions of the Act and the Companies (Share Capital & Debenture) Rules, 2014, or any amendment or re-enactment thereof from time to time.

Delivery of Share Certificates

(b) Unless prohibited by any provision of law or of any order of any court, tribunal, or other authority, the Company shall, within two Months or such extended period as may be permitted pursuant to the provisions of the Act after the allotment of any of its Shares, within 6 Months from the allotment of debentures, debenture stock, or other securities, and within one month after the application for the registration of the transfer or transmission of any such Shares, debentures, debenture stock, or other securities, deliver one certificate of all Shares, debentures, debenture stock or other securities allotted or transferred without payment of any charges. Several certificates, each for one or more Shares, can be issued upon payment of such amount as may be prescribed in the Act and the rules made thereunder from time to time for each certificate after the first.

Provided that the timelines referred above shall be subject to change as may be prescribed by the Act and the rules made thereunder from time to time.

Issue of new certificate in place of one defaced, lost or destroyed

24. (a) If any certificate is worn out, defaced, mutilated, or torn, or if there is no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed, then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe.

Provided that, notwithstanding what is stated above, the directors shall comply with such rules or Regulations or requirements of any stock exchange or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act, 1956, or any other act, or rules applicable thereof in this regard.

The provision of this article shall mutatis mutandis apply to debentures of the Company.

Manner of issue/ renewal etc. of certificate

(b) The manner of issue or renewal of a certificate or issue of a duplicate thereof, the form of a certificate (original or renewed) or of a duplicate thereof, the particulars to be entered in the Register of Members or in the Register of renewed or duplicate certificates, the form of such Registers, the fee on payment of which, the terms and conditions, if any, including terms and conditions as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating evidence, on which a certificate may be renewed or a duplicate thereof may be issued, shall be such as prescribed by the Companies (Share Capital & Debenture) Rules, 2014 or any other rules in substitution or modification thereof.

Limitation of time for Issue of Certificates-

(c) Every member shall be entitled, without payment, to one or more certificates in marketable lots for all the Shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the directors so the time determine), to several certificates, each for one or more of such Shares, and the Company shall complete and have ready for delivery such certificates within three Months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two Months of the receipt of application of registration of transfer, transmission, sub-division, consolidation, or renewal of any of its Shares, as the case may be. Every certificate of Shares shall be under The Seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and the amount paid up thereon and shall be in such form as the directors may prescribe and approve, provided that, in respect of a Share or Shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holders.

Fractional Certificates

25. The Board shall have full power:

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of Shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation, or as the case may require for the payment by the Company on their behalf, by the application thereto of their respective proportions of the amounts, resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing Shares. Any agreement made under such authority shall be effective and binding on all the Members.

(c) If and whenever as the result of issue of new Shares or of any consolidation or sub-division of shares, any Share are held by Members in fractions, the Board shall, subject to the provisions of the Act, and the Articles and to the directions of the Company in General Meeting, if any, sell those Shares which Members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the Members entitled to such Shares in due proportions the net proceeds of the sale thereof, for the purpose of giving effect to any such sale the Board may authorise any person to transfer and the purchaser shall not be bound to see to the application of the purchase money nor shall his title to the Shares be affected any irregularity or invalidity in the proceedings with reference to the sale.

CALLS

Calls

26. The Directors may, from time to time, make such calls as they think fit upon the Members in respect of all moneys unpaid on the Shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each Member shall pay the amount of every call so made on him to the person and at the times and places appointed by the Directors. A call may be made payable by installments.

Call to date from Resolution

27. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed and may be made payable by Members on such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Directors.

Notice of Call

28. Not less than 14 days' notice of every call shall be given specifying the time and place of payment provided that before the time for payment of such call

the Directors may by Notice in Writing to the Members revoke or postpone the same.

The Directors may extend time	29.	The Directors may from time to time, at their discretion extend the time fixed for the payment of any call by such Member (s) for such cause as the Directors may deem fit, but no Member (s) shall be entitled to such an extension save as a matter of grace and favour.
Amount payable at fixed time or by installments as Calls	30.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed times, whether on account of the amount of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given, and all the provisions herein contained in respect of calls shall relate to such amount or installments accordingly.
When interest on call or installment payable	31.	If the sum payable in respect of any call or installments be not paid on or before the day appointed for payment thereof, the holder for the time being or the allottee of the share in respect of which a call shall have been made or the installment shall be due shall pay interest on the same at such rate as the Directors shall fix from time to time from the day appointed for the payment thereof to the date of actual payment, but the Directors may, in their absolute discretion, waive payment of such interest wholly or in part.
Partial Payment not to preclude forfeiture	32.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any Shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money that shall from time to time be due from any Member in respect of any Shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any money shall preclude the forfeiture of such Shares as herein provided.
Payment in advance of calls may carry interest	33.	The Directors may, if they think fit, subject to the provisions of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the Shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advance has been made, the Company may pay interest at such rate as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividends. The Directors may at any time repay the amount so advanced. The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.
Members not entitled to privileges of membership until all calls are paid	34.	No Member shall be entitled to receive any dividend, any voting rights, or to exercise any privilege as a Member until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any person, together with interest and expenses, if any. The Members shall not be entitled to any voting rights in respect of the moneys so paid by them until the same would, but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.
Evidence in action by Company against Shareholders	35.	On the trial or hearing of any action or suit brought by the Company against any Member or his legal representatives for recovery of any moneys claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member, in respect of whose Shares the moneys are sought to be recovered, is entered in the Register of Members as a Member/as one of the Members at or any subsequent date on which the moneys sought to be recovered are alleged to have become due on the Shares, and the resolution making the call is duly recorded in the minute book, and

the notice of such call was duly given to the Member, holder or joint holder or his legal representatives sued in pursuance of These Presents.

FORFEITURE, SURRENDER AND LIEN

If call or installment not paid notice must be given	36.	If any Member fails to pay the whole or any part of any call or installment or any money due in respect of any share(s) either paid, by way of principal or interest on or before the day appointed for the payment of the same the Directors may at any time thereafter during such time as the call or installment or any part thereof or other moneys remain unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part serve a notice on such Member or on the person (if any) entitled to the share(s) by transmission requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such non-payment.
Form of notice	37.	The notice shall name a day not being less than 14 days from the date of the notice and the place or places on and at which such call or installment or such part or other moneys as aforesaid and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed the share(s) in respect of which the call was made or installment is payable will be liable to be forfeited.
In default of payment, Shares may be forfeited	38.	If the requisition of any such notice as aforesaid is not complied with, any of the share(s) in respect of which such notice has been given may at any time thereafter, before payment of all calls or installments, interest, and expenses or the money due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share(s) and not actually paid before the forfeiture.
Entry of forfeiture on Register of Members	39.	When any share(s) shall have been so forfeited an entry of the forfeiture with the date thereof shall be made in the Register of Members.
Forfeited Shares to be property of the Company and may be sold, etc.	40.	Any share(s) so forfeited shall be deemed to be the property of the Company and may be sold, reallotted or otherwise disposed off upon such terms and in such manner as the Directors shall think fit.
Power to annul share(s)	41.	The Directors may at any time before any share(s) so forfeited shall have been sold, reallotted or otherwise disposed off, annul the forfeiture thereof upon such conditions as they think fit.
Effect of forfeiture	42.	The forfeiture of share(s) shall involve the extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company in respect of the share(s) and all other rights incidental to the share(s), except only such of those rights as by These Presents are expressly saved.
Shareholder liable to pay money and interest owing at the time of forfeiture	43.	Any Member whose share(s) has/have been forfeited shall, pay notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest, expenses, and other moneys owing upon or in respect of such Shares at the time of the forfeiture together with further interest thereon from the time of the forfeiture until payment at such rate as the Directors may determine, and the Directors may enforce the payment of the whole or a portion thereof if they think fit but shall not be under any obligation to do so.
Certificate of forfeiture	44.	A duly verified declaration in writing under the hand of any Director, Manager or the Secretary or such other person as may be authorised, from time to time that the call in respect of share(s) was made and that the forfeiture of the share(s) was made by a Resolution of the Directors to that effect shall be conclusive evidence of the fact stated therein as against all Persons entitled to such share.

Title of purchaser and allottee of the forfeited Shares

45. The Company may receive the consideration, if any, given for the share(s) on any sale, re allotment or other disposition thereof, and the Persons to whom such share(s) is sold, reallotted, or disposed off may be registered as the holder of the share(s) and shall not be bound to see to the application of the consideration, if any, nor shall his title to the share(s) be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re allotment, or other disposal of the share(s).

Cancellation of share certificates in respect of forfeited shares

46. Upon sale, re-allotment or other disposal under the provisions of These Presents, the certificate or certificates originally issued in respect of the relative share(s) (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled automatically and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in respect of such share(s) to the person(s) entitled thereto.

Application of forfeiture provisions

47. The provisions of the Articles as to the forfeiture shall apply in the case of non-payment of any sum that by terms of issue of share/s, becomes payable at a fixed time, as if the same had been payable by virtue of a call duly made or notified.

Company's lien on Shares

48. The Company shall have a first and paramount lien upon all the Shares/debentures (other than fully paid-up Shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/debentures, and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect, and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/debentures. Unless otherwise agreed, the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien, if any, on such Shares/debentures. The Directors may at any time declare any Shares/debentures wholly or in part to be exempt from the provisions of this clause.

Fully paid Shares/debentures shall be free from all liens and in the case of partly paid Shares, the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such Shares/debentures.

As to enforcing Lien by sale

49. For the purpose of enforcing such lien the Directors may sell the Shares subject thereto in such manner as they think fit, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until Notice in Writing of the intention to sell shall have been served on such Member or the person (if any) entitled by transmission to the Shares and default shall have been made by him in payment of the sum presently payable for 14 days after such notice.

Application of proceeds of sale

50. The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards the satisfaction of the debt or liability in respect whereof the lien exists so far as the same is presently payable and the residue (if any) paid to the Member or the person (if any) entitled by transmission to the shares sold. Provided that the amount so paid to such Member or person shall not exceed the amount received by the Company from such member or person towards such Shares.

Surrender of share(s)

51. The Directors may, subject to the provisions of the Act, accept the surrender of any share(s) from or for any Member desirous of surrendering on such terms as they think fit.

TRANSFER AND TRANSMISSION OF SHARES

Register of Transfer

52. The Company shall keep a book to be called the "Register of Transfer" and therein shall fairly and distinctly enter the particulars of every transfer or transmission of any share held in material form.

The Company shall also use a common form of transfer. The transferor shall be deemed to remain the holder of the Shares until the name of the transferee is entered on the Register of Members in respect thereof.

Transfer not to be registered except on production of instrument of transfer

53. The Company shall not register a transfer of Shares in or debentures of the Company unless, in accordance with the provision of Section 56 of the Act and the provisions of these Articles, a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address, and occupation, if any, of the transferee has been delivered to the Company within such time as may be prescribed by the Act from the date of execution along with the certificate relating to the Shares or debentures, or if no such certificate is in existence, along with the letter of allotment of the Shares or debentures;

Provided that where an application in writing is made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit;

Provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder or debenture holder any person to whom the right to any Shares in, or debentures of, the Company has been transmitted by operation of law.

Transfer by legal representative

54. (1) A transfer of the Shares or other interest in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member, be as valid as if he had been a Member at the time of the execution of the instrument of transfer.

Nomination

(2) (a) Notwithstanding anything contained in the Articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death, and the provisions of Section 72 of the Companies Act, 2013, shall apply in respect of such nomination.

(b) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014.

(c) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.

(d) If the holder(s) of the securities survive(s) the nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.

Application for transfer

55. (a) An application for the registration of a transfer of any share(s), debenture(s) or any other securities or other interest of a Member in the Company may be made either by the transferor or by the transferee.

(b) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered, unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

(c) For the purpose of sub-article (b) above, notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer, and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

(d) Subject to Applicable Laws, no person shall, except with the prior approval of the Reserve Bank of India, acquire or agree to acquire, directly or indirectly, by himself or with persons acting in concert with him, Shares of the Company or voting rights therein, if such acquisition, including any Shares or voting rights already held by him or his relative or associate enterprise or persons acting in concert with him, would result in the applicant holding ten percent or more of the paid-up share capital of the Company or entitle him to exercise ten percent or more of the voting rights in the Company.

Company's Power to refuse transfer

56. Nothing in These Presents shall prejudice the powers of the Company to refuse to register the transfer of any Shares.

Transferor liable until the Transferee is entered in the register

57. (1) The transferor shall be deemed to remain the holder of such Shares until the name of the transferee is entered in the Register of Members in respect thereof.

Reasonable restrictions on Transfer

57 (a) Omitted.

(b) Omitted.

Directors may refuse to register transfer

58. (a) Subject to the provisions of Section 58 and 59 and other provisions of the Companies Act, 2013, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse, whether in pursuance of any power of the Company under these Articles or otherwise, to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares.

(b) Omitted.

(c) Omitted.

Notice of refusal to transferee and transferor

59. If the Company refuses to register the transfer of Shares it shall, within 30 days from the date on which the instrument of transfer is delivered to the Company or within such time as may be prescribed by the Act and the rules made thereunder, from time to time, send to the transferee and the transferor notice of the refusal.

Transfer to minor, etc.

60. Subject to the provisions of the Act no transfer shall be made to a person who is of unsound mind. The Directors may at their absolute discretion approve a

minor becoming a Member of the Company on such terms as the Directors may stipulate.

Custody of transfer	61.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All the instruments of transfer, which the Directors may decline to register on demand, will be returned to the Persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as may be prescribed.
Title of Shares of deceased holder	62.	The executors or administrators of a deceased Member or holder of a succession certificate or other legal representative in respect of Shares of a deceased Member where he was a sole or only surviving holder shall be the only person whom the Company will be bound to recognise as having any title to the Shares registered in the name of such Member and the Company shall not be bound to recognise such executors, administrators, or holders unless such executors or administrators shall have first obtained probate or letters of administration or such holder is the holder of a succession certificate or other legal representation, as the case may be, from a Court of Competent Jurisdiction. Provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with production of probate or letters of administration or succession certificate or other legal representation and, under Article 63, register the name of any person who claims to be absolutely entitled to the share standing in the name of a deceased Member as a Member.
Registration of person entitled to Shares otherwise than by transfer (transmission clause)	63.	Any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, or insolvency of any Member or by any lawful means other than by a transfer in accordance with These Presents may, with the consent of the Directors (which they shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Directors shall require, either be registered as a Member in respect of such Shares or may, subject to the Regulations as to transfer contained in These Presents, transfer such Shares to some other person. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a Notice in Writing signed by him stating that he so elects. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share. All the limitations, restrictions, and provisions of these Regulations relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
Rights of person entitled to Shares on death or insolvency of the Member	64.	On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only Persons recognised by the Company as having any title to his interest in the Shares. Nothing above shall release the estate of a deceased joint holder from any liability in respect of any share that had been jointly held by him with other Persons.
Refusal to register nominee	65.	The Directors shall have the same right to refuse to register a person entitled by transmission to any Shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
Board may require evidence of transmission	66.	Every transmission of a share shall be verified in such manner as the Directors may require, and the Company may refuse to register any transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration, which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

Fee on transfer or transmission	67.	No fee shall be charged for registration of transfer, transmission, probate, succession certificate & letters of administration, certificate of death or marriage, power of attorney, or other similar document.
The Company not liable for disregard of a notice prohibiting registration of transfer	68.	The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of Shares made or purporting to be made by the apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of Persons having or claiming any equitable right, title or interest to or in the same Shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.
Instrument of transfer		The instrument of transfer shall be In writing and all provisions of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of Shares and registration thereof.

CONVERSION OF SHARES INTO STOCK

Conversion of Shares into stock and reconversion	69.	The Company may, by ordinary resolution- (a) convert any fully paid-up Shares into stock; and (b) reconvert any stock into fully paid-up Shares of any denomination.
Transfer of Stock	70.	The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Regulations under which, the Shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the Shares from which the stock arose.
Rights of stockholders	71.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges, and advantages as regards dividends, voting at meetings of the Company, and other matters as if they held the Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding-up) shall be conferred by an amount of stock that would not, if existing in Shares, have conferred that privilege or advantage.
Share Regulations to apply	72.	Such of the Regulations of the Company (other than those relating to share warrants) as are applicable to paid-up Shares shall apply to stock, and the words “share” and “shareholder” in those Regulations shall include “stock” and “stockholder,” respectively. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,- (a) its share capital; (b) any capital redemption reserve account; or (c) any share premium account.

INCREASE, REDUCTION AND ALTERATION OF CAPITAL

Increase of capital

73. The Company may from time to time by ordinary resolution, increase its capital by issuing new Shares as may be specified.

Conditions for issue of new Shares

74. The new Shares (except as shall be unclassified Shares subject to the provisions of Article 14) shall, subject to the provisions of the Act and These Presents, be issued upon such terms and conditions and with such rights and privileges annexed, and in particular such Shares may be issued with preferential, differential, or qualified voting rights or right to dividends and in distribution of the assets of the Company. Any preference shares issued shall be redeemable within such period as may be prescribed under the Act.

Further issue of capital

75. The new Shares (resulting from an increase of capital aforesaid) may, subject to the provisions of the Act and These Presents, be issued or disposed off by the Company in General Meeting or by the Directors under their powers in accordance with the provisions of Articles 12, 13, 14, 15, and the following provisions:

(a) i such new Shares shall be offered to the Persons who, at the date of the offer, are holders of the equity Shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those Shares at that date;

ii the aforesaid offer shall be made by notice specifying the number of Shares offered and limiting a time not being less than 15 days or such lesser number of days as may be prescribed under law and not exceeding 30 days from the date of the offer or within which the offer, if not accepted, will be deemed to have been declined;

iii. the offer aforesaid shall be deemed to include a right exercisable by the Persons concerned to renounce the Shares offered to him or any of them in favour of any other person, and the notice referred to in sub-clause (ii) above shall contain a statement of this right;

iv. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose off them in such manner as they think most beneficial to the Shareholders and the Company; Notwithstanding anything contained in sub clause (a) the further Shares aforesaid may be offered to any Persons (whether or not those Persons include the Persons referred to in clause (i) of sub-clause (a) hereof) in any manner whatsoever.

(a) If a special resolution to that effect is passed by the Company in a General Meeting, or

(b) Where no such resolution is passed, if the votes cast (whether on a show of hands or on poll as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by Members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by Members so entitled and voting, and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.

(b) Nothing in sub-clause (iii) of sub-article (a) above shall be deemed: -

i. to extend the time within which the offer should be accepted; or

ii. to authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the Shares comprised in the renunciation.

(c) Nothing in Article 75 of These Presents shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the Debentures issued or loans raised by the Company:

i. to convert such debentures or loans into Shares in the Company; or

ii. to subscribe to Shares in the Company.

Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

(a) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is In conformity with Rules, if any, made by that Government in this behalf; and

(b) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government, or any institution specified by the Central Government in this behalf, it has also been approved by the special resolution passed.

Shares under control of General Meeting

76. In addition to and without derogating from the powers for the purpose conferred on the Directors under Article 15, the Company in General Meeting may, in accordance with the provisions of Section 62 of the Act, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such Persons (whether Members or holders of debentures of the Company or not) in such proportion and on such terms and conditions and either at a premium or at par (subject to compliance with the provisions of the Act) as such General Meeting shall determine.

Same as original capital

77. Except so far as otherwise provided by the conditions of issue or by These Presents, any capital raised by the creation of new Shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, transfer and transmission, forfeiture, lien, surrender, voting, and otherwise.

Reduction of capital

78. The Company may from time to time by special resolution reduce its share capital (including the capital redemption reserve account, if any) in any way authorised by law and, in particular, may pay off any paid-up share capital upon the footing that it may be called up again or otherwise and may, if and so far as necessary, alter its Memorandum and Articles of Association, reducing the amount of its share capital and of its Shares accordingly.

Division and sub-division of Shares

79. The Company may, in General Meeting by ordinary resolution, alter the condition of its Memorandum and Articles of association as follows:

(a) Consolidate and divide all or any of its share capital into Shares of a larger amount than its existing Shares.

(b) Subdivide Shares or any of them into Shares of smaller amounts than originally fixed by the Memorandum subject nevertheless to the provisions of the Act in that behalf.

(c) Cancel Shares which at the date of such a General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.

80. The Directors may, in their absolute discretion, refuse applications for the subdivision of share certificates, debenture or bond certificates, or certificates representing other securities into denominations of less than the marketable lot, except when such subdivision is required to be made to comply with a statutory provision or an order of a Competent Court of Law.

MODIFICATION OF CLASS RIGHTS

Power to modify rights of different classes of Shareholders and the rights of dissentient Shareholders

81. (a) If at any time the share capital of the Company is divided into different classes of Shares, the rights and privileges attached to the Shares of any class may, subject to provisions of the Act, and whether or not the Company is being wound up, be varied, modified, commuted, affected, or abrogated with the consent in writing of the holders of not less than three-fourths of the issued Shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the issued Shares of that class. To every such separate meeting, the provisions of these Regulations relating to General Meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two Persons holding at least one-third of the issued Shares of the class in question. The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking pari-passu therewith.

(b) This Article is not to derogate from any power the Company would have had if this Article were omitted and the right of the dissentient Shareholders, being holders of not less in the aggregate than 10 per cent of the issued Shares of that class, being Persons who did not consent to or vote in favour of the special resolution for the variation, to apply to the Tribunal to have the variations or modifications cancelled as provided in Section 48 of the Act / Section 107 of the Companies Act, 1956, as may be applicable. Where such application is made, the variation shall not take effect unless and until confirmed by the Tribunal.

JOINT HOLDERS

Joint Holders

82. Where two or more Persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with benefits of survivorship subject to the following and other provisions contained in These Presents:

Company may refuse to register more than three Persons

(a) The Company shall be entitled to decline to register more than 3 Persons as the joint holders of any share;

Joint and several liability for all payments in respect of Shares

(b) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments that ought to be made in respect of such Shares;

Title of survivors

(c) On the death of any such joint holder, the survivor or survivors shall be the only person or Persons recognised by the Company as having any title to the share, but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him jointly with any other person;

Receipt of one joint holder sufficient

(d) Any one of such joint holders may give effectual receipts for any dividends or other moneys payable in respect of such share;

Delivery of certificate and giving notice to first named holder	(e)	Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive notice (which expression shall be deemed to include all documents mentioned in Article 202) from the Company and any notice given to such person shall be deemed notice to all the joint holders;
Votes of joint holder	(f)	Any one of two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such share as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then, that one of such Persons so present whose name stands first or higher (as the case may be) in the Register in respect of such share shall alone be entitled to vote in respect thereof but the other or others of the joint holders shall be entitled to be present at the meeting provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder present by attorney or by proxy although the name of such joint holder present by attorney or proxy stands first or higher (as the case may be) in the Register in respect of such Shares. Several executors or administrators of a deceased Member in whose (deceased Member's) sole name any share stands shall, for the purpose of this Clause be deemed joint holders.

BORROWING POWERS

Power to Borrow	83.	Subject to the provisions of Sections 179 and 180 of the Act, the Board of Directors may from time to time, by a resolution passed at a Meeting of the Board accept deposits, or borrow moneys from Members, either in advance of calls or otherwise or accept deposits from public and may generally raise or borrow and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds perpetual or redeemable debentures or debenture stock or any other securities or by any mortgage or charge or other Security on the undertaking or the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.
Securities to be subject to the control of the Directors	84.	Any bonds, debentures, debenture stock, or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
Securities may be assignable free from equities	85.	Debentures, debenture stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
Issue of bonds, debentures, etc. at discount etc. or with special privilege	86.	Subject to the provisions of the said Act, any bonds, debentures, debenture stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination and with any special privileges as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at the General Meeting, appointment of Directors or otherwise. Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in the General Meeting by a special resolution.
Mortgage of uncalled capital	87.	Omitted.
	88.	Omitted.
Register of charges	89.	The Directors shall cause a proper register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages and charges specifically affecting the property of the Company; and shall duly comply with the requirements of the Act in regard to registration of mortgages and charges and in regard to inspection to be given to creditors or Members of the register

of charges and of copies of instruments creating charges. Such sum as may be prescribed by the Act shall be payable by any person other than a creditor or Member of the Company for each inspection of the register of charges.

MEETINGS

Annual General Meeting

90. The Company shall, in each year hold, in addition to other meetings, a General Meeting which shall be styled as its "Annual General Meeting" in accordance with the provisions of Section 96 of the Act.

Extraordinary General Meeting

91. All General Meetings other than Statutory General and the Annual General Meetings shall be called Extraordinary General Meetings.

Calling of Extraordinary General Meeting

92. The Board of Directors may, whenever they think fit, and shall, on the requisition of such number of Members of the Company as is specified in sub-article(c) hereof forthwith proceed and call an Extraordinary General Meeting of the Company. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two Members of the Company may call an extraordinary General Meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board and in case of such requisition, the following provisions shall apply.

(a) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company;

(b) The requisition may consist of several documents in like form, each signed by one or more requisitionists;

(c) The number of Members entitled to requisition a meeting with regard to any matter shall be such number of them as hold at the date of the deposit of the requisition not less than one-tenth of such of the paid-up capital of the Company as at that date carries the right of voting in regard to that matter;

(d) Where two or more distinct matters are specified in the requisition, the provisions of sub-article (c), above shall apply separately in regard to each such matter, and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that sub-article is fulfilled;

(e) If the Board does not, within 21 days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than 45 days from the date of the deposit of the requisition, the meeting may be called by the requisitionists themselves or by such of the requisitionists as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the Company as is referred to in sub-article (c) above whichever is less. However, for the purpose of this sub-article, the Directors shall, in the case of a meeting at which a resolution is to be proposed as a special resolution, give such notice thereof as is required by the Act;

(f) A meeting called under sub-article (e) above by the requisitionists or any of them:

i. shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board, but

ii. shall not be held after the expiration of 3 Months from the date of the deposit of the requisition;

Provided that nothing contained in this sub-clause (ii) shall be deemed to prevent a meeting duly commenced before the expiry of the period of 3 Months aforesaid, from adjourning to some day after the expiry of that period;

(g) Where two or more Persons hold any Shares or interest in the Company jointly, a requisition, or a notice calling a meeting, signed by one or some only of them shall, for the purposes of this Article have the same force and effect as if it had been signed by all of them;

(h) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

Notice of Meeting

93. (a) A General Meeting of the Company may be called giving not less than clear 21 days' Notice in Writing;

(b) A General Meeting may be called after giving shorter notice than that specified in sub-article (a) above if consent is accorded thereto:

i. in the case of an Annual General Meeting by not less than 95 percent of Members entitled to vote at the meeting

ii. in the case of any other meeting, by Members of the Company holding not less than 95 percent of such part of the paid-up share capital of the Company have a right to vote at the meeting.

Provided that where any Members of the Company are entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those Members shall be taken into account for the purposes of this sub-article in respect of the former resolution or resolutions and not in respect of the latter.

Contents and manner of service of notice and Persons on whom it is to be served

94. (a) Every notice of a meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat;

(b) Notice of every meeting of the Company shall be given:-

i. to every Member of the Company, in any manner authorised by Section 101 of the Act;

ii. to the Persons entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignees of the insolvent, or by any like description, at the address, if any, in India supplied for the purpose by the Persons claiming to be so entitled, or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred;

iii. to the auditor or auditors for the time being of the Company in the manner authorised by Section 101 of the Act in the case of any Member or Members of the Company; and

iv. to every director of the Company.

Omission to give notice not to invalidate the proceedings at the Meeting		(c)	The accidental omission to give notice to, or the non-receipt of notice by any Member or other person to whom it should be given shall not invalidate the proceedings at the meeting.
Business at the Annual General Meeting	95.	(a)	In the case of an Annual General Meeting, all business to be transacted at the meeting shall be deemed special, with the exception of business relating to: i. the consideration of accounts, balance sheet and reports of the Board of Directors and auditors; ii. the declaration of a dividend; iii. the appointment of Directors in the place of those retiring; and iv. the appointment of, and the fixing of remuneration of the auditors
		(b)	In the case of any other meeting, all business shall be deemed special.
Explanatory statement to be annexed to the notice		(c)	Where any items of business to be transacted at meeting are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein, of every Director and his relatives, and the Manager and his relatives, if any, every Key Managerial Personnel and their relatives. Provided that any item of special business as aforesaid to be transacted at a meeting of the Company relates to or affects any other Company, the extent of shareholding interest in that other Company of every Promoter, Director, and the Manager, if any, and every other Key Managerial Personnel of the Company shall also be set out in the statement if the extent of such shareholding interest is not less than two per cent of the paid-up share capital of that other Company.
		(d)	Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.
Ordinary and special resolution	96.	(1)	A resolution shall be an Ordinary Resolution when at a General Meeting of which the notice required under the Act has been duly given, the votes cast (whether on a show of hands or on a poll, as the case may be) in favour of the resolution (including the casting vote, if any, of the Chairman) by Members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the resolution by Members so entitled and voting.
		(2)	A resolution shall be a special resolution when: a) he intention to propose the resolution as a special resolution has been duly specified in the notice calling the General Meeting or other intimation given to the Members of the resolution; b) the notice required under the Act has been duly given of the General Meeting; and c) the votes cast in favour of the resolution (whether on a show of hands or electronically, or on a poll, as the case may be), by Members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, are not less than three times the number of the votes, if any, cast against the resolution by Members so entitled and voting.

Resolutions requiring Special Notice	97.	(1) Where, by any provisions contained in the Act or in These Presents, Special Notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved, exclusive of the day on which the notice is served or deemed to be served and the day of the meeting.
		(2) The Company shall, immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by These Presents, not less than seven days before the meeting.
Postal Ballot		(3) The Company may pass such resolution by postal ballot in the manner prescribed by Section 110 of the Companies Act, 2013, and such other applicable provisions of the Act and any future amendments or re-enactments thereof, and as may be required by any other law, including SEBI (Listing Obligations and Disclosure Requirements), 2015, as amended from time to time. Notwithstanding anything contained in the provisions of the Act, the Company shall, in the case of a resolution relating to such, business as the Central Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of postal ballot instead of transacting such business in a General Meeting of the Company.
Participation through Electronic mode		(4) Notwithstanding anything contrary contained in these Articles, the Company may provide video conference facilities and/or other permissible electronic or virtual facilities for communication to enable the Shareholders of the Company to participate in General Meetings of the Company. Such participation by the Shareholders at General Meetings of the Company through video conference facilities and/or the use of other permissible electronic or virtual facilities for communication shall be governed by such legal or regulatory provisions as are applicable to the Company for the time being in force.

PROCEEDINGS AT GENERAL MEETING

Quorum of General Meeting	98.	Save as otherwise provided, the quorum for the General Meetings shall be as provided in section 103 of the Act or other requirements under the Applicable Law.
Business confined to election of Chairman whilst chair vacant	99.	No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.
Chairman of General Meeting	100.	(a) The Chairman, if any, of the Board shall preside as Chairman at every General Meeting of the Company;
		(b) If there is no such chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairman of the meeting, then the Directors present at the meeting shall elect one of the Independent Directors referred to in Article 144A to be chairman of the meeting. In case no directors are present, or directors present fail to elect a chairman, the Members present and voting shall choose one of their Members to be chairman of the meeting.
Proceedings when quorum not present	101.	If within half an hour from the time appointed for the General Meeting a quorum be not present, the meeting, if convened on the requisition of Shareholders, shall be dissolved, and in any other case, shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Directors may determine. If at such adjourned meeting also, a quorum is not present within half an hour from

the time appointed for holding the meeting, the Members present shall be a quorum and may transact the business for which the meeting was called.

Adjournment of Meeting

102. (a) The Chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place;

(b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place;

(c) When a meeting is adjourned for more than thirty days' notice of the adjourned meeting shall be given as in the case of an original meeting;

(d) Save as aforesaid, it shall not be necessary to give any notice of the adjournment or of the business to be transacted at an adjourned meeting.

Evidence of the passing of resolution where poll not demanded

103. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded in the manner hereinafter mentioned, and unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

Demand for poll

104. (a) Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the Meeting of his own motion, and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding Shares in the Company:-

i. which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or

ii. on which an aggregate sum of not less than five lakh rupees has been paid up.

(b) The demand for a poll may be withdrawn at any time by the person who made the demand.

Time of taking poll

105. (a) If a poll is demanded on the election of a Chairman or on a question of adjournment, it shall be taken forthwith and without adjournment.

(b) A poll demanded on any other question shall be taken at such time not being later than 48 hours from the time when the demand was made, as the Chairman may direct.

Right of Member to use his votes differently

106. On a poll taken at a meeting of the Company, a Member entitled to more than one vote, or his proxy or other person entitled to vote for him as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

Scrutinizers at poll

107. (a) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers to scrutinize the votes given on the poll and to report thereon to him;

(b) The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and to fill vacancies in The Office of the scrutineer arising from such removal or from any other cause;

(c) Of the two scrutinizers appointed under this Article, one shall always be a Member (not being an Officer or employee of the Company) present at the meeting, provided that such a Member is available and willing to be appointed.

Manner of taking poll and result thereof

108. (a) Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken;

(b) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

Motion how decided in case of equality of votes

109. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the Meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a Member.

Demand for poll not to prevent transaction of other business

110. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded; other business may be proceeded with, pending the taking of the poll.

Minutes of General Meetings

111. The Company shall cause minutes of all proceedings of General Meetings to be entered in books kept for that purpose. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat. All appointments of officers made at any of the Meetings shall be included in the minutes of the Meeting. Any such minutes, if purporting to be signed by the Chairman of the Meeting at which the proceedings took place or, in the event of death or inability of that Chairman, by a Director duly authorised by the Board for the purpose, shall be evidence of the proceedings.

The minutes book of General Meetings, shall be kept at the registered office of the Company and shall be preserved permanently and kept in the custody of Company Secretary or any director duly authorized by the Board or at such other place as may be approved by the Board and / or as may be prescribed by the Act or the rules made thereunder from time to time.

Inspection of Minutes Books

112. The books containing minutes of proceedings of General Meetings of the Company shall be kept at the Registered Office of the Company and shall be open to the inspection of any Member without charge, during business hours on all working days.

Copies of Minutes

113. Any Member shall be entitled to be furnished within the prescribed period after he has made a request in that behalf to the Company with a copy of any minutes referred to above on payment of such sum as may be prescribed by the Act.

VOTES OF MEMBERS

Votes

114. Subject to any rights or restrictions for the time being attached to any class or classes of Shares:

a) on a show of hands, every Member present in person shall have one vote; and

b) on a poll, the voting rights of Members present in person, by attorney, or by proxy shall be as provided by Section 47 of the Act.

c) a member may exercise his vote at a meeting by electronic means in accordance with Section 108 and shall vote only once.

Voting by Members of unsound mind	115. A Member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy.
Voting Body Corporate	116. A body corporate (whether a Company within the meaning of the Act or not) may, if it is a Member, by resolution of its Board of Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company in accordance with the provisions of Section 113 of the Act. The production at the meeting of a copy of such a resolution duly signed by one Director of such body corporate or by a member of its governing body and certified by him as being a true copy of the resolution shall, on production at the Meeting be accepted by the Company as sufficient evidence of the validity of his appointment.
Votes in respect of deceased Members	117. Any person entitled under the transmission clause to transfer any Shares may vote at the General Meetings in respect thereof as if he were the registered holder of such Shares, provided that at least 48 hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to transfer such Shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
Qualification of proxy	118. (a) Any Member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a Member or not) as his proxy, subject to provisions of the Act or any circulars, notifications, or directions issued under the Act from time to time, to attend and vote instead of himself, but a proxy so appointed shall not have any right to speak at the meeting;
	(b) In every notice calling a meeting of the Company, there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and that a proxy need not be a Member.
Votes may be given by proxy or Attorney	119. Votes may be given either personally or by attorney by proxy or in the case of a Body Corporate also by a representative duly authorised as aforesaid.
Execution of Instrument of proxy	120. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in writing under the hand of the appointer or his attorney authorised in writing, or if such appointer is a body corporate, under its common seal or the hand of an officer or an attorney duly authorised by it, and shall, as nearly as circumstances will admit, be in such form as may be prescribed by the Act from time to time.
Deposit of instrument of appointment and inspection	121. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105 of the Act. No person shall act as proxy unless the instrument of his appointment and the power of attorney or other authority, if any, under which it is signed, or a notary certified copy of that power or authority, shall have been deposited at The Office at least 48 hours before the time for holding the meeting at which the person named in the instrument of proxy proposes to vote or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default, the instrument appointing the proxy shall not be treated as valid. No attorney shall be entitled to vote unless the power of attorney or other instrument appointing him as attorney or a notary certified copy thereof has either been registered in the Records of the Company at any time not less than 48 hours before the time of the meeting at which the attorney proposes to vote or is deposited at The Office not less than 48 hours before the time of such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the Records of the Company, the Company may, by Notice in Writing addressed to the Member or the attorney at least 7 days before the date of a meeting, require him to produce the original Power of Attorney or

authority, and unless the same is thereupon deposited with the Company not less than 48 hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit. Every Member entitled to vote at a meeting of the Company or on any resolution to be moved thereat shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three day's Notice in Writing of the intention so to inspect is given to the Company.

Custody of the instrument

122. If any such instrument of appointment be confined to the object of appointing a proxy or substitute for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine, in the custody of the Company, and if embracing other objects, a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.

Validity of votes given by proxy notwithstanding death of member, etc.

123. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of any power of attorney under which such proxy was signed or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, revocation, or transfer shall have been received at The Office of the Company before the meeting.

Time for objections to votes

124. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such a meeting or poll shall be deemed valid for all purposes of such a meeting or poll whatsoever.

Chairman of any Meeting to be the judge of validity of any vote

125. The chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the chairman shall be final and conclusive.

Equal rights of Members

126. Any Member whose name is entered in the Register of Members of the Company shall enjoy the same rights and be subject to the same liabilities as all other Members of the same class.

DIRECTORS

Number of Directors

127. Until otherwise determined by a General Meeting, the number of Directors shall not be less than 4 (four) or more than 15 (fifteen).

First Directors

128. The Persons hereinafter named are the first Directors of the Company:-

1. Shri Kasturi Mrutyun Jaya Rao
2. Shri Kalpesh Kikani
3. Shri Gajulapalli Venkata Satyanarayan Ramesh
4. Shri Sanjay Kumar Maheshka.

The first directors shall retire at the first Annual General Meeting.

Directors

129. (a) There shall be such number of Directors on the Board in order that the Company is in compliance with all requirements for an asset reconstruction Company pursuant to the applicable law including the SARFAESI, the conditions of registration of the Company as, an asset reconstruction Company, and in compliance with the SEBI Act, 1992, and all applicable rules, Regulations, orders, directions, guidelines, and circulars issued by the SEBI, as amended from time to time.

(b) In accordance with section 3(6) of the SARFAESI, prior permission is to be obtained from the Reserve Bank of India for any substantial change in Company's management, including the appointment of any director on the board of the Company or managing director or Chief Executive Officer.

Debenture Director

130. Any trust documents covering the issue of debentures, bonds, or other securities of the Company may provide for the appointment of a Director (in These Presents referred to as "the Debenture Director") for and on behalf of the holders of the debentures, bonds, or other securities for such period as is therein provided not exceeding the period for which the debentures, bonds, other securities, or any of them shall remain outstanding and for the removal from office of such Debenture Director and, on a vacancy being caused whether by resignation, death, removal, or otherwise, for the appointment of a Debenture Director in the vacant place. The Debenture Director shall not be liable to retire by rotation or be removed from office except as provided as aforesaid.

Alternate Director

131. (a) The Board of Directors may appoint an Alternate Director to act for a Director (hereinafter in this Article called "the original Director"), at his suggestion or otherwise, during his absence for a period of not less than three Months from India;

(b) An Alternate Director appointed under sub-article (a) above shall not hold office as such for a period longer than permissible to the original Director in whose place he has been appointed and shall vacate office if and when the original director returns to India, in which meetings of the Board are ordinarily held;

(c) If the term of office of the original Director is determined before he so returns to India aforesaid, any provision for the automatic reappointment of retiring Directors in default of another appointment shall apply to the original and not to the Alternate Director.

Share Qualification

132. (a) No Director shall be required to hold any qualification Shares of the Company.

(b) No person shall be qualified to be a Director if his appointment is in contravention with any law or guideline in force or if, by amendment of any law or guideline, his continuance in office is in contravention of such law or guideline, he shall immediately vacate his office; on such vacation, he shall not be entitled to any compensation.

Remuneration of Directors

133. The fees payable to a Director for attending a meeting of the Board or committee thereof shall be decided by the Board of Directors, from time to time, within the limits as may be prescribed by the Act or the Central Government.

Directors not bona fide residents of the place where a meeting is held may receive extra compensation

134. The Directors may allow and pay to any Director who is not a bona fide resident of the place where a meeting is held and who shall come to such place for the purpose of attending a meeting such sum as the Directors may consider fair compensation for travelling, hotel and other expenses in addition to his remuneration as above specified, and the Directors may from time to time fix the remuneration to be paid to any member or Members of their body constituting a committee appointed by the Directors in terms of These Presents and may pay the same.

Extra Remuneration to Directors for special work

135. Subject to the provision of the Act, if any Director, being willing, shall be called upon to perform extra services or to make any special exertions in going out or residing at a particular place or otherwise for any of the purposes of the Company, the Company may remunerate such Director either by a fixed sum or otherwise as may be determined by the Directors and such

remuneration may be either in addition to or in substitution for his remuneration above provided.

Additional Director

136. (a) The Directors shall have the power at any time and from time to time to appoint, subject to the provisions of These Presents, any person other than a person who fails to get appointed as a director in a General Meeting as an additional Director to the Board but so that the total number shall not at any time exceed the maximum number fixed for the Board, but any Director so appointed shall hold office only up to the date of the next Annual General Meeting of the Company and shall then be entitled to re-election.

(b) Company will ensure that the approval of the shareholder for the additional Director, as appointed by the Board, is taken at the General Meeting or within a time period of three Months from the date of appointment.

Provided that if such an appointment or re-appointment of a person to the Board is subject to approval from any regulatory, governmental or statutory authorities, then the time taken to receive such approvals shall be excluded for sub-article (b) above.

Casual vacancy

137. If The Office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled by the Board of Directors at a meeting of the Board and the Director so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated.

Directors may act notwithstanding vacancy

138. Subject to the provisions of the Act, the continuing Directors may act notwithstanding any vacancy in their body, so that if the number falls below the minimum number fixed, the Directors shall not, except in emergencies or for the purpose of filling up vacancies or for summoning a General Meeting of the Company, act so long as the number is below the minimum, and they may so act notwithstanding the absence of a necessary quorum.

Disqualification of Directors

139. (a) A person shall not be capable of being appointed Director of the Company if he is disqualified in terms of the provisions of Section 164 of the Act and/or any other law for the time being in force.

Office of Directors becoming vacant

(b) The Office of a Director shall be liable to become vacant as provided under the provisions of Section 167 of the Act and/or any other law for the time being in force.

Disclosure of interest by Director

140. (a) Every Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into, by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board of Directors and shall not participate in the meeting for the concerned or interested agenda.

(b) (i) In the case of a proposed contract or arrangement, the disclosure required to be made by a Director under sub-article (a) above shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of that meeting concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he becomes so concerned or interested.

(ii) In the case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.

(c) For the purpose of sub-articles (a) and (b) above, a general notice given to the Board by a Director, to the effect that he is a Director or a member of a specified body corporate or is a Partner of a specified firm and is to be regarded as concerned or interested in any contract or arrangement that may, after the date of the notice, be entered into with that body corporate or firm shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made;

(d) Nothing in this Article shall be taken to prejudice the operation of any rule of law restricting a Director of the Company from having any concern or interest in any contracts or arrangements with the Company;

(e) Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into between the Company and any other company where any of the Directors of the Company or two or more of them together holds or hold not more than two per cent of the paid-up share capital in the other Company.

Interested Directors not to participate or vote in Board Meetings

141. (a) No Director of the Company shall, as a Director, take any part in the discussion of, or vote on, any contract or arrangement entered into or to be entered into, by Board's proceedings or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in the contract or arrangement nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote, his vote shall be void.

(b) Sub-article(a) above shall not apply to :-

(i). any contract of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or a surety for the Company;

(ii). any contract or arrangement entered into or to be entered into with a public Company, or a private Company, which is a subsidiary of a public Company, in which the interest of the Director aforesaid consists solely :-

(1) in his being a Director of such Company and the holder of not more than Shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by the Company, or

(2) in his being a member holding not more than two per cent of the paid-up share capital of such other Company.

Directors may be Directors of Companies promoted by the Company

142. (a) Subject to the provisions of the Act, These Presents and any other law for the time being in force, a Director of the Company may be, or become, a Director of any Company promoted by this Company, or in which it may be interested as a vendor, member, or otherwise, and no such Director shall be accountable for any benefits received as Director or member of such other Company.

Disclosure by Director on appointment

(b) A Director shall, at the first Board meeting held after his appointment and thereafter at the first meeting of the Board in every Financial Year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, disclose his concern or interest in or relinquishment of his office as Director, Managing Director, Manager or Secretary in any other body corporate and disclose to the Company the particulars relating to his office in the other body corporate that are required to be specified under Section 170 of the Act.

Register of Directors

(c) The Company shall enter the aforesaid particulars in a register kept for the purpose in conformity with Section 170 of the Act.

Director and Key Managerial Personnel to give notice of his shareholdings

(d) A Director and Key Managerial Personnel shall give Notice in Writing to the Company of his holding of Shares and debentures of the Company or its subsidiary, together with such particulars as may be necessary to enable the Company to comply with the provision of Section 170 of the Act. If such notice be not given at a meeting of the Board, the Director shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given. The Company shall enter particulars of a director's and Key Managerial Personnel's holding of securities as aforesaid in a register kept for the purpose in conformity with Section 170 of the Act.

A return containing such particulars shall be filed with the Registrar within 30 days from the appointment and within 30 days of any change taking place.

Disclosure by Director of interest in any other Company, etc.

(e) If any Director has any interest in any other Company, institution, financial intermediary, or any body corporate by virtue of his position as director or partner or with which he may be associated in any other capacity, then he shall disclose his interest to the Board of Directors.

Related Party Transactions

(f) Subject to the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in accordance with section 188 of the Act, the Company may enter into contracts with the Related Party which are at arm's length and are in the ordinary course of business of the Company with the approval of the Audit Committee, Board, or Shareholders, as applicable.

(g) Subject to the provisions of the Act, the Company may enter into contracts with the related parties which are of such a nature that they require the consent of Shareholders in terms of the Act or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, or any other law for the time being in force, with the approval of the Shareholders in the General Meeting.

ROTATION OF DIRECTORS

Directors to retire annually, how determined

143. Not less than two-thirds of the total number of directors of the Company shall—

(i). be Persons whose period of office is liable to determination by retirement of directors by rotation; and

(ii). save as otherwise expressly provided in this Act, be appointed by the Company in General Meeting.

At every Annual General Meeting of the Company other than the First Annual General Meeting one-third of such of the Directors for the time being are liable to retire by rotation or, if their number is not three or a multiple of three, then the number closest to one-third shall retire from office.

For the purposes of this regulation, "total number of directors" shall not include Independent Directors, whether appointed under this Act or any other law for the time being in force, on the Board of a Company.

Which Director(s) to retire

144. The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as

between Persons who became Directors on the same day, those who are to retire shall (unless they otherwise agree among themselves) be determined by lot.

Tenure of office of Independent Director

144. A. An Independent Director shall hold office for a term of up to three consecutive years on the Board of the Company but shall be eligible for reappointment on the passing of a special resolution by the Company. An Independent Director shall not hold office for more than two consecutive terms of up to three years each. The tenure of office of an Independent Director shall not be subject to retirement.

Re-election

145. Subject to the provisions of Article 144, a retiring Director shall be eligible for re-election.

Company to fill up vacancy

146. Subject to the provisions of Article 144, the Company at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by appointing the retiring Director or some other person thereto.

Retiring Director to remain in office till successor appointed

147. If the place of the retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place, and if at the adjourned Meeting also, the place of the retiring Director is not filled up and that Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless :-

a) at that Meeting or at the previous Meeting a resolution for the reappointment of such Director has been put to the meeting and lost;

b) the retiring Director has, by a Notice in Writing addressed to the Company or the board of directors, expressed his unwillingness to be so reappointed;

c) he is not qualified or is disqualified for appointment;

d) a resolution, whether special or ordinary, is required for his appointment by virtue of any provisions of the Act;

e) the proviso to sub-article (b) or sub-article (c) of Article 148 is applicable to the case.

Appointment of Directors to be voted on individually

148. (a) At every Annual General Meeting of the Company, a motion shall not be made for the appointment of two or more Persons as Directors of the Company by a single resolution, unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it.

(b) A resolution moved in contravention of sub-article (a) above shall be void whether or not objection was taken at the time to its being so moved;

Provided that where a resolution so moved is passed, no provision for the automatic re-appointment of retiring Directors in default of another appointment shall apply.

(c) For the purposes of this Article, a motion for approving a person's appointment or for nominating a person for appointment shall be treated as a motion for his appointment.

Company may increase or reduce the number of Directors	149.	Subject to the provisions of Sections 149 and 152 of the Act, the Company may, by special resolution, from time to time, increase or reduce the number of Directors.
Right of Persons other than retiring Directors to stand for Directorship	150.	(a) Subject to the provisions of the Act and These Presents, no person, not being a retiring Director, shall be eligible for election to The Office of Directors at any General Meeting, unless he or some other Member intending to propose him has, at least fourteen days before the meeting, left at The Office of the Company a Notice in Writing under his hand signifying his candidature for The Office of Director or the intention of such Member to propose him along with a deposit of such sum as may be prescribed which shall be refunded to such person or, as the case may be, to such Member, if the person succeeds in getting elected as a Director or gets more than twenty-five per cent of total valid votes cast either on show of hands or on poll on such resolution.

(b) The Company shall inform its Members of the candidature of a person for The Office of Director or the intention of a Member to propose such person as a candidate for that office by serving individual notices in writing on the Members not less than seven days before the meeting and place notice of such candidature on the website of the Company, if any.

Provided that it shall not be necessary for the Company to serve individual notices upon the Members as aforesaid if the Company advertises such candidature or intention not less than seven days before the Meeting in at least two newspapers circulating in the place where the registered office of the Company is located, of which one is published in the English language and the other in the regional language of that place.

(c) Every person (other than a Director retiring by rotation or otherwise or a person who has left at The Office of the Company a notice under Section 160 of the Act signifying his candidature for The Office of a Director) proposed as a candidate for The Office of a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed.

(d) The Company shall ensure that the appointment of all Directors of the Company in General Meeting by the Shareholders and their retirement shall be in accordance with the provisions of the Act.

(e) A person, other than:

a. a Director reappointed after retirement by rotation or immediately on the expiry of his term of office, or

b. an Additional or Alternate Director or a person filling a casual vacancy in The Office of a Director under Section 161 of the Act, appointed as a Director or reappointed as an Additional or Alternate Director immediately on the expiry of his term of office, or

c. a person named as Director of the Company under these Articles as first registered;

shall not act as a Director of the Company unless he has, within 30 days of his appointment, signed and filed with the Registrar his consent in writing to act as such Director.

Removal of Directors	151.	(a) The Company, subject to the provisions of Section 169 of the Act, may, by Ordinary Resolution remove a Director, before the expiry of his

period of office after giving him a reasonable opportunity of being heard.

(b) Special Notice shall be required of any resolution to remove a Director under this Article or to appoint somebody instead of a Director so removed at the meeting at which he is removed.

(c) On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned, and the Director (whether or not he is a Member of the Company) shall be entitled to be heard on the resolution at the meeting.

(d) Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are received by it too late for it to do so:-

i. in any notice of the resolution given to Members of the Company, state the fact of the representations having been made; and

ii. send a copy of the representations to every Member of the Company to whom notice of the meeting is sent (whether before or after receipt of the representations by the Company) and if a copy of the representation is not sent as aforesaid because they were received too late or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting;

Provided that copies of the representations need not be sent out and the representations need not be read out at the meeting if, on the application of either of the Company or any other person who claims to be aggrieved, the Central Government is satisfied that the rights conferred by this sub-article are being abused to secure needless publicity for defamatory matter.

(e) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, be filled by the appointment of another Director in his stead, by the meeting at which he is removed, provided Special Notice of the intended appointment has been given under sub-article (b) above. A Director so appointed shall hold office until the date up to which his predecessor would have held office if he had not been removed as aforesaid.

(f) If the vacancy is not filled under sub-article (e) of this Article, it may be filled as a casual vacancy in accordance with the provisions, so far as they may be applicable, of Article 137, and all the provisions of that Article shall apply accordingly; Provided that the Director who was removed from office shall not be reappointed as a Director by the Board of Directors.

<u>MANAGING DIRECTOR / WHOLE-TIME DIRECTOR/CHIEF EXECUTIVE OFFICER / MANAGER</u>

Board may appoint Managing Director(s) or Whole time Director(s) or Chief Executive Officer or Manager

152. (1) (a) Subject to the provisions of the Act, the Sponsors shall have the power to appoint, in consultation with the Chairman of the Company, the first Managing Director of the Company.

(b) Managing directors shall be appointed by the Board of Directors by a simple majority. No person shall continue as a Managing Director beyond the age of seventy years. (The Persons appointed as such are referred in These Presents as the "Managing Director.")

(c) The Managing Director shall be appointed for such term not exceeding five years at a time, subject to a maximum period of 15 years continuously, as the Persons appointing them in accordance with These Presents may think fit to manage the affairs and business of the Company and the Board of Directors may from time to time (subject to provisions of any contract between him and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

(d) Subject to the provisions of the Act and These Presents, the Managing Director shall not while he continues to hold that office be subject to retirement by rotation under Article 143, but he shall be subject to the provisions of any contract between him and the Company and be subject to the same provisions as to the resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director if he ceases to hold The Office of Director for any cause provided that if at any time the number of Directors (including Managing Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such of the Managing Director or two or more of them as the Directors may from time to time determine shall be liable to retirement by rotation in accordance with Article 143 to the intent that the number of Directors not liable to retirement by rotation shall not exceed one-third of the total number of Director for the time being.

Remuneration of Managing or Whole time Directors or Chief Executive Officer or Manager.

(e) The remuneration of the Managing Director or Whole-time Director shall (subject to Section 197 of the Act, and applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors, from time to time and may be by way of fixed salary and/or perquisites or commission on profits of the Company or by participation in such profits, or by any or all these modes or any other mode not expressly prohibited by the Act.

(f) Subject to sub-article (d) above, the Managing Director(s) and/or Whole-Time Director(s) so appointed shall not be liable to retire at any General Meeting of the Company.

Remuneration of Managing or Whole time Directors or Chief Executive Officer or Manager

(g) Subject to the provisions of Sections 197 and 203 of the Act and also subject to the limitations, conditions, and provisions of Schedule V of the Act, the appointment and payment of remuneration to the Managing Director(s) and/or Whole-Time Directors shall be subject to the approval of the Members in the General Meeting.

(h) Subject to the superintendence, control, and direction of the Board, the day-to-day management of the Company shall be in the hands of the Managing Director, with power to the Board to distribute such day-to-day management functions in any manner as deemed fit by the Board subject to the provisions of the Act, and These Presents.

(i). The Managing Director shall not exercise the powers to:

i. make calls on Shareholders in respect of any money unpaid on the Shares in the Company.

ii. issue debentures and except to the extent mentioned in the resolution passed at the Board Meeting under Section 179 of the Act, shall also not exercise the powers to;

(a) borrow money, otherwise than a debenture;

(b) invest the funds of the Company; and

(c) make loans, give credits, or sign credit notes exceeding an amount fixed by the Board from time to time.

Appointment of director as Chief Executive Officer, manager, company secretary or Chief Financial Officer

152. (2) (a) A Director may be appointed as Chief Executive Officer, manager, company secretary or Chief Financial Officer.

(b) A provision of the Act or the Articles requiring or authorising a thing to be done by or to a Director and Chief Executive Officer, manager, company secretary or Chief Financial Officer shall not be satisfied by its being done by or to the same person acting both as a Director and as, or in place of, Chief Executive Officer, manager, company secretary or Chief Financial Officer.

PROCEEDINGS OF DIRECTORS' MEETINGS

Meeting of Directors

153. The Directors may meet together for the dispatch of business, adjourn, and otherwise regulate their meetings and proceedings as they think fit. Provided, however, that the meeting of the Board of Directors shall be held at least once in every three calendar Months and at least four such meetings shall be held every year. Provided that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board.

When meeting to be convened

154. The Chairman may at any time and the Manager, or such other officer of the Company as may be authorised by the Directors shall upon the requisition of a Director convene a meeting of the Board.

Notice of meetings

155. Notice of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means.

Quorum and its competence to exercise powers

156. Quorum of the Board shall be maintained as per Applicable Law. Every director present at any meeting of the Board or of a committee thereof shall sign the attendance register to be kept for that purpose.

At least half of the directors attending the meetings of the Board shall be Independent Directors.

A director participating in a meeting through video conferencing or other audio-visual means shall be counted for the purpose of quorum.

For the purposes of this Article, "interested director" means any Director whose presence cannot by reason of Article 141, count for the purpose of forming a quorum at a meeting of the Board at the time of the discussion or vote on any matter.

Procedure where meeting adjourned for want of quorum

157. (a) If a meeting of the Board could not be held for want of quorum, then, unless the Directors present at such meeting adjourned otherwise decide, the meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday at the same time and place.

(b) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(c) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(d) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(e) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

(f) The provisions of Article 153 shall not be deemed to have been contravened merely by reason of the fact that a meeting of the Board which had been called in compliance with the terms of that Article could not be held for want of a quorum.

Directors may appoint committee

158. (a) Subject to the restrictions contained in Section 179 of the Act, the Board may delegate any of their powers to a committee of the Board, and the Board may from time to time revoke and discharge such committee of the Board either wholly or in part and either as to Persons or purposes, but every committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any Regulations that may from time to time be imposed on it by the Board. All acts done by such committee of the Board in conformity with such Regulations and in fulfillment of the purposes of its appointment, but not otherwise, shall have the force and effect as if done by the Board. The quorum for a meeting of such committee shall be as per the Act or as prescribed by RBI or any other law applicable for the said committee.

Constitution of committee/s to carry out the activities under the SARFAESI

158. (b) Subject to the restrictions contained in Section 179 of the Act, the Board shall constitute one or more committees to implement its various policies, including with respect to the following:

(i) Acquisition of financial assets;

(ii) Asset reconstruction - rescheduling of debts;

(iii) Settlement of dues payable by the borrower;

(iv) Plan for realization of assets;

(v) Change or takeover of the management of the business of the borrower;

(vi) Sale or lease of the whole or part of the business of a borrower;

(vii) Enforcement of Security interest in accordance with the SARFAESI;

(viii) Asset classification;

(ix) Provisioning requirements of the asset;

(x) Issue of Security receipts to qualified institutional buyers and all incidental matters connected therewith;

(xi) Distribution of return on Security Receipts;

and for this purpose delegate any or all their powers to such committee/s of the Board and the Board may from time to time revoke and discharge such committee/s of the Board either wholly or in part and either as to Persons or purposes, but every committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any Regulations that may from time to time be imposed on it by the Board. All acts done by such committee of the Board in conformity with such Regulations and in fulfillment of the purposes of its appointment, but not otherwise, shall have the force and effect as if done by the Board.

Meetings of committees how to be governed

159. The meetings and proceedings of any such committee shall be governed by the provisions of These Presents for regulating the meetings, and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any Regulations made by the Directors under Article 158.

Chairman

160. (a) The first chairman of the Company shall be Shri N. Vaghul.

(b) The Directors from time to time shall elect an Independent Director as Chairman of the Board and who shall hold office for a period of one year, which may be further extended by the Board as it deems fit. If no such Chairman is appointed or if at any meeting the Chairman is not present within five minutes of the time appointed for holding the same, the Directors present shall choose one of the Independent Directors to be Chairman of the Meeting.

(c) Omitted.

Powers to be exercised at meeting

(d) The meeting of the Board of Directors for the time being at which a quorum is present shall be able to exercise all or any of the authorities, powers, and discretion which by or under the Act or These Presents are vested in or exercisable by the Board of Directors generally.

Certain powers to be exercised by Board at meeting only

161. The Board shall exercise the following powers on behalf of the Company, and it shall do so only by means of resolutions passed at its Meetings:

i. the power to make calls on Shareholders in respect of money unpaid on their Shares;

ii. the power to authorise any buy-back of Shares under Section 68 of the Act;

iii. the power to issue securities, including debentures, whether in or outside India;

iv. the power to borrow monies;

v. the power to invest the funds of the Company;

vi. the power to make loans or give guarantee or provide Security in respect of loans;

vii. to approve financial statement and the Board's report;

viii. to diversify the business of the Company;

ix. to approve amalgamation, merger or reconstruction;

x. to take over a Company or acquire a controlling or substantial stake in another Company;

xi. to make political contributions;

xii. to appoint or remove Key Managerial Personnel (KMP);

xiii. to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;

xiv. to appoint internal auditors and secretarial auditor;

xv. to take note of the disclosure of director's interest and shareholding;

xvi. to buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee Company;

xvii. to invite or accept or renew public deposits and related matters;

xviii. to review or change the terms and conditions of public deposit;

xix. to approve quarterly, half yearly and annual financial statements or financial results as the case may be;

xx. and such other matters as may be prescribed from time to time

Provided that the Board may, by a resolution passed at a meeting, delegate to any committee of Directors, the Managing Director, the Manager or any other principal officer of the Company, or in the case of a branch office of the Company, to a principal officer of the branch office, the powers specified in subclauses (iv), (v), and (vi) above to the extent and subject to the conditions specified in Section 179 of the Act.

Consent of the Company necessary for exercise of certain powers

162. The Board shall not, except with the consent of the Company by a special resolution in General Meeting: -

a) sell, lease, or otherwise dispose off the whole, or substantially the whole, of the undertaking/assets of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking;

b) invest, otherwise than in trust securities, the amounts of compensation received by the Company as a result of any merger or amalgamation;

c) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the Company and its free reserves;

d) remit, or give time for the repayment of, any debt due by a Director.

Acts of Board or committees valid notwithstanding defect of appointment

163. All acts done by any meeting of the Board or of a committee thereof or by any person acting as a Director, shall be valid notwithstanding that it may be afterwards discovered that the appointment of any one or more of such Directors or of any person acting as aforesaid, was invalid by reason of defect or disqualification or had terminated by virtue of any provision contained in the Act or These Presents; Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

Resolution by circular

164. No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the Members of the committee, at their address registered with the Company in India or through electronic means and has been approved by such of the Directors as are then in India, or by a majority of such of them, as are entitled to vote on the resolution. If one-third of the total number of directors of the Company for the time being require that any resolution under circulation must be decided at a meeting, the Chairperson shall put the resolution to be decided at a meeting of the Board. A resolution shall be noted at a subsequent meeting

of the Board or the committee thereof, as the case may be, and made part of the minutes of such meeting.

Reconstitution of Board

165. (a) If the requirements as to constitution of the Board as laid down in the Act are not fulfilled at any time, the Board shall reconstitute such Board so as to ensure such requirements are fulfilled.

(b) If, for the purpose of reconstituting the Board, the sub-article (a) above it is necessary to retire any Director(s) the Board shall, by lots drawn at a Board Meeting, decide which Director(s) shall cease to hold office, and such decision shall be binding on every Director.

(c) Every Director if he is appointed under any casual or other vacancy, shall hold office until the date up to which his predecessor would have held office if the election had not been held or, as the case may be, the appointment had not been made.

(d) No act or proceeding of the Board of Directors of the Company shall be invalid by reason only of any defect in the composition thereof or on the ground that it is subsequently discovered that any of its Members did not fulfill the requirements of this Article.

POWERS OF DIRECTORS

General powers of the Company vested in Directors

166. (a) Subject to the provisions of the Act, the Board Directors shall be entitled to exercise all such powers, and to do all such acts and things, as the Company is authorised to exercise and do.

Provided that the Board shall not exercise any power to do any act or thing which is directed or required, by any act or by the Memorandum or Articles of the Company or otherwise, to be exercised or done by the Company in General Meeting;

Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions contained in that behalf in any Act or in the Memorandum or Articles of the Company, or in any Regulations not inconsistent therewith and duly made thereunder, including Regulations made by the Company in General Meeting.

(b) No regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

Specific Powers given to Directors

167. Without prejudice to the general powers conferred by the last preceding Article and the other powers conferred by These Presents but subject, however, to the provisions of any Act, the Memorandum, and These Presents, it is hereby expressly declared that the Directors shall have the following powers :

To pay costs of incorporation

a) To pay the costs, charges, and expenses preliminary and incidental to the promotion, formation, establishment, and registration of the Company;

Acquiring properties, rights, etc.

b) To purchase or otherwise acquire for the Company any property rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit;

To pay for property

c) At their discretion to pay for any property rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash, or in Shares, bonds, debentures, debenture stock or other securities of the Company, and any such Shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;

To insure properties	d)	To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company either separately or jointly; also to insure all or any portion of the goods, produce, machinery and other Articles imported or exported by the Company and to sell, assign, surrender, or discontinue any policies of assurance effected in pursuance of this power;
To open Bank Accounts	e)	To open accounts with any bank or bankers or with any Company, firm, or individual and to pay money into and draw money from any such account from time to time as the Directors may think fit;
To secure contracts by Mortgage	f)	To the extent permissible under the Act, to secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they think fit;
To attach conditions	g)	To attach to any Shares issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit;
To accept surrender of Shares	h)	To accept from any Member, on such terms and conditions as shall be agreed, a surrender of his Shares or stock or any part thereof;
To appoint Trustees	i)	To appoint any person or Persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, or for any other purposes and to execute and do all such acts and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees;
To institute, act, conduct legal proceedings	j)	To institute, conduct, defend, compound or abandon legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debt due, or of any claims or demands by or against the Company;
To refer to Arbitration	k)	To refer any claim or demand by or against the Company to arbitration and observe and perform the awards;
To act in matters of Bankruptcy and insolvency	l)	To act on behalf of the Company in all matters relating to bankruptcy and insolvency;
To give receipts	m)	To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company;
To determine who shall be entitled to sign on Company's behalf	n)	To determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents;
To invest monies	o)	To invest and deal with any of the monies of the Company whether or not immediately required for the purposes thereof, upon such securities and in such manner as they may think fit and from time to time to vary or realise such investments;
To give Security by way of indemnity	p)	To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any

personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on;

To give interest in particular business or transaction, etc.

q) To give to any Director, officer or other person employed by the Company an interest in any particular business or transaction or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as a part of the working expenses of the Company;

Provided that the share of general profits of the Company payable to the Directors or to the officer of the Company or such other person shall not exceed in the aggregate a sum equivalent to the limit prescribed by the Act;

Provided further that this limitation or restriction shall not be applicable to any distribution of a general bonus to employees of the Company;

To provide for the welfare of employees, etc.

r) To provide for the welfare of employees or ex-employees of the Company or its predecessors in business and the spouse, widow or widower, father (including step-father), mother (including step-mother), brother (including step-brother), sister (including step-sister), son (including step-son), daughter (including step-daughter), son's widow, daughter's widower, deceased son's children, deceased daughter's children or the dependents of such employees or ex-employees by building or contributing to the building of houses or dwellings or by grant of money, pensions, allowances, bonus or other payments or by creating and from time to time subscribing or contributing to provident funds and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and to subscribe or contribute to or otherwise assist charitable, benevolent, national and/or other institutions or objects;

To subscribe to charitable funds

s) Subject to the provisions of the Act and These Presents, to subscribe or guarantee money for any national, charitable, benevolent, public, general, or useful object or for any exhibition or to any institution, club, society, or fund;

To establish revenue funds

t) The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they may think proper for depreciation or to a depreciation fund or as reserve or to a reserve fund or sinking fund or any special fund to meet contingencies or to repay preference shares or debentures or for payment of dividends or for equalising dividends or for repairing, improving, extending and maintaining any part of the property of the Company, or for such other purposes as the Directors may in their absolute discretion think conducive to the interests of the Company; and the Directors may invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject to the restrictions imposed by the Act and the SARFAESI) as the Directors may think fit, and from time to time deal with and vary such investments and dispose off and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same, or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and the Directors may divide the Reserve or any Fund into such special funds and transfer any sum from one Fund to another as the Directors may think fit, and may employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of preference shares or Debentures and that without being bound to keep the same separate from the other assets, and without being bound to pay interest on the same, with power however to the Directors at their discretion to pay or allow to the credit of such fund interest at such rate as the Directors may think proper, not exceeding 5 per cent per annum;

To appoint officers, etc.	u)	To appoint and at their discretion remove or suspend such committee or committees of experts, technicians or advisers or such Manager(s), officer(s), clerk(s), employee(s) and agent(s) for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries and emoluments and require Security in such instances and to such amounts as they may think fit, and also without prejudice as aforesaid, from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India and the provisions contained in sub-articles (y)and (z) of this Article following shall be without prejudice to the general powers conferred by this sub-article;
To ensure compliance of local laws	v)	To comply with the requirements of any local law compliance of which, in their opinion, it shall be necessary or expedient to comply with;
To establish local Boards	w)	From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any Persons to be Members of any Local Boards and to fix their remuneration and from time to time and at any time, but subject to the provisions of Section 179 of the Act and These Presents to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Directors, and to authorise the Members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed, and may annul or vary any such delegation. Any such delegate may be authorised by the Directors to sub-delegate all or any of the powers, authorities, and discretions for the time being vested in them;
To appoint attorneys	x)	At any time and from time to time but subject to the provisions of Section 179 of the Act and These Presents by Power of Attorney to appoint any person or Persons to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under These Presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors think fit) may be made in favour of the Members or any of the Members of any Local Board established as aforesaid, or in favour of any Company or the Members, Directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body or any Persons whatsoever whether nominated directly or indirectly by the Directors, and any such Power of Attorney may contain such powers for the protection or convenience of Persons dealing with such attorneys as the Directors may think fit;
Delegation of powers	y)	Subject to the provisions of the Act and These Presents, to delegate the powers, authorities, and discretions vested in the Directors and/or any of its committees to any authorised officer(s), approved valuer(s) for

implementing the provisions of the SARFAESI person, firm, Company, or fluctuating body of Persons as aforesaid;

Sub-delegation of power

z) Any such delegate or attorney as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him;

To enter into contracts

aa) Subject to the provisions of the Act to enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

bb) Subject to the provisions of the Act, to give in the name and on behalf of the Company such indemnities and guarantees as may be necessary.

cc) From time to time to make, vary, and repeal any Bye-Laws, Regulations, and other rules, guidelines or instructions for regulating the business of the Company, its officials, the employees, and other Persons having dealings with the Company.

Specific Powers given to the Directors in relation to the provisions under the SARFAESI

168. (a) Without prejudice to the various powers conferred by These Presents but subject, however, to the provisions of the SARFAESI, the Act, the Memorandum, and These Presents, it is hereby expressly declared that the Directors shall have the powers to frame various policies with respect to all or any of the matters dealt with in the SARFAESI, including the following:

(i) Appointment of authorised officers and managers for enforcement of Security interest;

(ii) Acquisition of financial assets;

(iii) Asset reconstruction-rescheduling of debts;

(iv) Settlement of dues payable by the borrower;

(v) Plan for realization of assets;

(vi) Change or takeover of the management of the business of a borrower;

(vii) Sale or lease of the whole or part of the business of a borrower;

(viii) Enforcement of Security interest in accordance with the SARFAESI;

(ix) Asset classification;

(x) Provisioning requirements of the asset;

(xi) Issue of Security receipts to qualified institutional buyers and all incidental matters in connection therewith;

(xii) Distribution of return on Security receipts and all incidental matters in connection therewith;

(xiii) To comply with the requirements of filing of transactions of securitisation, reconstruction and creation of Security interest with the central registrar and any other compliance of which in their opinion, it shall be necessary or expedient to comply with;

Provisions of the Act to be complied with by the Directors

168. (b). The Directors shall comply with the provisions of Sections 92, 170, 184, 185 and 188 of the Act.

MINUTES

Minutes of proceedings of Directors and committees	169.	The Company shall cause minutes of all proceedings of meetings of the Board of Directors and all committees of the Board to be duly entered in a book or books for that purpose maintained in such form and manner as may be permitted in law from time to time, including but not limited to loose leaf volumes. The minutes shall contain: a) a fair and correct summary of the proceedings at the meeting; b) the names of the Directors present at the Meeting of the Board of Directors or of any committee of the Board; c) all decisions taken by the Board and committee of the Board and all appointments of officers and committee of Directors; d) all resolutions and proceedings of Meetings of the Board and the committees of the Board; and e) in the case of each resolution passed at a Meeting of the Board or committee of the Board, the names of the Directors, if any, dissenting from, or not concurring in, the resolution.
By whom minutes to be signed and effect thereof	170.	Any minutes of any Meeting of the Board or of any committee of the Board, shall be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting and such minutes shall for all purposes whatsoever be prima facie evidence of the actual passing of the resolutions recorded and the actual and regular transaction or occurrence of the proceedings so recorded and of the regularity of the meeting at which the same shall appear to have taken place.

THE SEAL

The seal its custody and use	171.	(1) The Directors shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of The Seal. (2) The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least one Director and the Secretary or such other person as the Board may appoint for the purpose, and the said Director and the Secretary or such other person as aforesaid shall sign every instrument to which The Seal of the Company is so affixed in their presence.

DIVIDENDS

Division of profits	172.	The profits of the Company, subject to the provisions of the Act, the Memorandum and These Presents, shall be divisible among the Members in proportion to the amount of capital paidup on the Shares held by them respectively.
Capital paid up in advance at interest not to earn dividend	173.	Where capital is paid-up in advance of calls upon the footing that the same shall carry interest such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.
Dividend in proportion to amount paid up	174.	The Company may pay dividends in proportion to amount paid-up or credited as paid-up on each share, where a larger amount is paid-up or credited as paid-up on some Shares than on others. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

Dividend out of profits	175.	Subject to the provisions of Section 123 of the Act, no dividend shall be payable except out of the profits of the year or any other undistributed profits. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves, which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Board may, from time to time, think fit. The Board may also carry forward any profits which it may consider necessary not to divide without setting them aside as a reserve.
Company in General Meeting may declare a dividend	176.	The Company in General Meeting may declare a dividend to be paid to the Members according to their respective rights and interests in the profits and may fix the time for payment. No dividend shall bear interest against the Company.
No larger dividend than recommended by directors, etc.	177.	No larger Dividend shall be declared than is recommended by the Directors but the Company in a General Meeting may declare a smaller dividend.
Interim Dividend	178.	Subject to the provisions of the Act and These Presents, the Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies. Such interim dividend may be declared at any time and shall be set off against the final dividend for the relevant period.
Retention of Dividend	179.	Subject to the provisions of the Act, the Directors may retain the dividends payable in respect of which any person is, under the transmission Clause, entitled to become a member or which any person under that clause is entitled to transfer until such person shall become in respect of such Shares or shall duly transfer the same.
Notice of dividend	180.	a) Notice of any dividend that may have been declared shall be given to the Persons entitled to share therein in the manner mentioned in the Act.
No member to receive dividend whilst indebted to the Company and the Company's right of reimbursement thereof	180.	b) Subject to the provisions of the Act, no Member shall be entitled to receive payment of any interest or dividend in respect of his share or Shares whilst any money may be due or owing from him to the Company in respect of such share or Shares or otherwise howsoever, either alone or jointly with any other person or Persons, and the Directors may deduct from the interest or dividend payable to any Member all sums of money so due from him to the Company.
Transfer of Shares must be registered	181.	Where any instrument of transfer of Shares has been delivered to the Company for registration and the transfer of such Shares has not been registered by the Company, it shall, notwithstanding anything contained in any other provision of the Act:- a) transfer the dividend in relation to such Shares to the special account referred to in Section 124 of the Act / Section 205A of the Companies Act, 1956, as may be applicable, unless the Company is authorised by the registered holder of such Shares in writing to pay such dividend to the transferee specified in such instrument of transfer; and b) keep in abeyance in relation to such Shares any offer of rights Shares under clause (a) of sub-section (I) of Section 62 and any issue of fully paid-up bonus Shares in pursuance of the first proviso to sub-section (5) of Section 123 of the Act.

Dividends how remitted

182. Unless otherwise directed, any dividend may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled thereto or, in the case of joint holders, to that one of them first named in the Register in respect of the joint holding. Every such cheque shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost by the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means. Dividend can be paid by any other electronic mode.

Unclaimed dividend

183. (a) Subject to the provisions of Section 124 of the Act / Section 205A of the Companies Act, 1956, as may be applicable, if the Company has declared a dividend that has not been paid or claimed within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall, within 7 days from the date of expiry of the said period of 30 days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days to a special account in that behalf in any scheduled bank called "the unpaid dividend account of Asset Reconstruction Company (India) Limited";

(b) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to the general revenue account of the Central Government. A claim to any money so transferred to the general revenue account may be preferred to the Central Government by the Shareholders to whom the money is due. No unclaimed or unpaid dividend shall be forfeited till the claim thereto becomes barred by law.

Dividends and calls together

184. Any General Meeting declaring a dividend may make a call on the Members in respect of moneys unpaid on Shares for such amount as the meeting fixes, but so that the call on each Member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against the call.

Special provision in reference to dividend

185. No dividend shall be payable except in cash. Provided that nothing in this Article shall be deemed to prohibit capitalization of profits or reserves of the Company for the purpose of issuing fully paid-up bonus Shares or paying up any amount for the time being unpaid on any Shares held by the Members of the Company.

CAPITALISATION

Capitalisation

186. Any General Meeting may resolve that any moneys, investments, or other assets forming part of the undivided profits (including profits or surplus moneys arising from the realisation and [where permitted by law] from the appreciation in value of any capital assets of the Company) standing to the credit of the reserve or reserve fund or any other fund of the Company or in the hands of the Company and available for dividend or representing premiums received on the issue of Shares and standing to the credit of the share premium account be capitalised:

(a) by the issue and distribution as fully paid-up Shares, debentures, debenture-stock, bonds, other securities or other obligations of the Company, or

(b) by crediting Shares of the Company which may have been issued and are not fully paid-up, with the whole or any part of the sum remaining unpaid thereon.

Such issue and distribution under (a) above and such payment to the credit of unpaid share capital under (b) above shall be made to, among, and in favour of the Members or any class of them or any of them entitled thereto and in accordance with their respective rights and interests and in proportion to the amount of capital paidup on the Shares held by them respectively in respect of which such distribution under (a) or payment under (b) above shall be made on the footing that such Members become entitled thereto as capital. The Directors shall give effect to any such resolution and apply such portion of the profits or reserve or reserve fund or any other Fund on account as aforesaid as may be required for the purpose of making payment in full for the Shares, debentures or debenture stock, bonds, other securities, or other obligations of the Company so distributed under (a) above or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the Shares which may have been issued and are not fully paid up under (b) above.

Provided that no such distribution or payment shall be made unless recommended by the Directors and if so recommended, such distribution and payment shall be accepted by such Members as aforesaid in full satisfaction of their interest in the said capitalised sum.

For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments be made to any Members on the footing of the value so fixed and may vest any such cash Shares, debentures, debenture-stock, bonds, other securities or other obligations in trustees upon such trusts for the Persons entitled thereto as may seem expedient to the Directors and generally may make such arrangements for the acceptance, allotment and sale of such Shares, debentures, debenture-stock, bonds, other securities or other obligations and fractional certificates or otherwise as they may think fit. Subject to the provisions of the Act and these presents in cases where some of the Shares of the Company are fully paid and others are partly paid only such capitalisation may be effected by the distribution of further Shares in respect of the fully paid Shares, and by crediting the partly paid Shares with the whole or part of the unpaid liability thereon but so that as between the holders of the fully paid Shares, and the partly paid Shares the sums so applied in the payment of such further Shares and in the extinguishment or diminution of the liability on the partly paid Shares shall be so applied pro rata in proportion to the amount then already paid or credited as paid on the existing fully paid and partly paid Shares respectively. When deemed requisite, a proper contract shall be filed in accordance with the Act, and the Board may appoint any person to sign such contract on behalf of the holders of the Shares of the Company which shall have been issued prior to such capitalisation and such appointment shall be effective.

ACCOUNTS

Accounts

187. (a) The Directors shall cause true accounts to be kept of:

(i) all sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure take place;

(ii) all sales and purchases of goods by the Company; and

(iii) the assets, credits and liabilities of the Company, and generally of all its commercial, financial and other affairs, transactions and engagements, and of all other matters, necessary for showing the true financial state and condition of the Company, and the accounts shall be kept in English in such manner as the Directors may deem fit; and the books of accounts shall be kept at The Office or such other place or places in India as the Directors think fit, and shall be open to inspection by the Directors and such other Persons authorised under the Act during business hours.

(b) If the Company shall have a branch office, whether in or outside India, proper books of accounts relating to the transaction affected at The Office shall be kept at The Office, and proper summarized returns, made up to date at an interval of not less than three Months, shall be sent by the branch office to the Company at its registered office or other place in India as the Board thinks fit, where the main books of accounts of the Company are kept.

Inspection of Accounts

187. (c) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or Regulations the accounts and books of the Company, or any of them, shall be open to the inspection of Members.

No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board or by the Company in General Meeting.

Furnishing of statement of accounts and reports

188. Once at least in every calendar year, the Directors shall lay before the Company in the Annual General Meeting a profit and loss account for the financial of the Company immediately preceding the Financial Year in which such meeting is held and a balance sheet containing a summary of the assets and liabilities of the Company made up as at the end of the last working day of that Financial Year or in cases where an extension of time has been granted for holding the meeting, upto such extended time, and every such balance sheet shall be accompanied by (to be attached thereto):

(i) as required by Section 134 of the Act, a report of the Directors as to the state and condition of the Company and as to the amount (if any) which they recommend to be paid out of the profits by way of dividend and the amount (if any) set aside by them for the reserve fund, general reserve, or reserve account shown specifically in the balance sheet or to be shown specifically in a subsequent balance sheet;

(ii) a schedule of:

(a) the names and addresses of the banks/FIs from whom financial assets were acquired;

(b) dispersion of various financial assets industry-wise and sponsor-wise;

(c) names and addresses of all the qualified institutional buyers and the amounts invested by them in schemes formulated by the Company;

(d) details of related parties and the amounts due to and from them;

(e) a statement clearly charting therein the migration of financial assets from standard to non-performing; and

(f) a statement of all significant accounting policies adopted in the preparation and presentation of the balance sheet and profit and loss account.

Form and content of balance sheet and profit and loss Account	189.	Every balance sheet and profit and loss Account of the Company shall give a true and fair view of the state of affairs of the Company, shall be prepared in accordance with the Act and the SARFAESI and shall, subject to the provisions of Section 129 of the Act and except as required under These Presents, be in the relevant Forms set out in Schedule III of the Act, or as near thereto as circumstances admit.
Authentication of Balance and other documents and copies thereof to be sent to Members	190.	The balance sheet and the profit and loss account shall be signed by two Directors, one of whom shall be a Managing Director and the Chief Executive Officer, if he is a director in the Company, the Chief Financial Officer and the company secretary of the Company, wherever they are appointed The balance sheet and the profit and loss account shall be approved by the Board of Directors before they are signed on behalf of the Board by the chairperson, if so authorized by the Board before they are submitted to the auditors for their report thereon. The auditors' report shall be attached to the balance sheet and the profit and loss account or there shall be inserted at the foot of the balance sheet and the profit and loss account a reference to the report. A copy of such balance sheet and the profit and loss account so audited, together with a copy of the auditor's report and every other document required by law to be annexed or attached to the balance sheet, shall, not less than 21 days before the meeting at which the same are to be laid before the Members of the Company, be subject to the provisions of Section 136 of the Act and sent to every Trustee for the holders of any debenture and to all Persons other than such Members or Trustees, being so entitled.
Copies of balance sheet and profit and loss account and auditors report shall be filed with the Registrar	191.	After the balance sheet and profit and loss Account have been laid before the Company at a General Meeting, and signed by the Managing Director, the Manager or Secretary or if there are none of these, by a Director of the Company a copy of the financial statements, including consolidated financial statements, if any, along with all the documents which are required to be or attached to such financial statements under this Act, shall be filed with the Registrar within thirty days of the annual General Meeting, in accordance with the requirements of Section 137 of the Act and such other regulatory authorities as may be required pursuant to the SARFAESI.

AUDIT

Accounts to be audited	192.	At least once every year the accounts of the Company shall be balanced and audited and the correctness of the profit and loss Account and balance sheet ascertained by one or more auditor or auditors to be appointed as required by the Act. Further, quarterly accounts shall be prepared by the Company in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018.
Appointment and qualification of auditors	193.	The Company at the Annual General Meeting shall appoint an auditor or auditors to hold office from the conclusion of that meeting for a period of five years in the Company, subject to the provision of Section 139 of the Act and the rules made thereunder from time to time. The appointment and the removal of auditors and the person who may be appointed as auditors shall be as provided in Sections 139 and 140 of the Act.
Branch audit	194.	The audit of the Branch Office, if any, of the Company shall be, by and in the manner provided by Section 143 of the Act.
Remuneration of the auditors	195.	The remuneration of the auditors of the Company shall be fixed by the Company at the Annual General Meeting or by the Board of Directors, if so, authorised by the Company in Annual General Meeting except that the remuneration of any auditors appointed to fill any casual vacancy may be fixed by the Directors.
Auditors, their report, powers and duties	196.	Every auditor of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanations as may be necessary for the performance of the duties of the

auditors and the auditors shall make a report to the Shareholders on the accounts examined by them, and on every balance sheet and profit and loss Account and every other document declared by the Act to be part of or annexed to the balance sheet or profit and loss Account which are laid before the Company in General Meeting during their tenure of office and the report shall state whether in their opinion and to the best of their information and according to the explanations given to them the said Accounts give the information required by the Act in the manner so required and give a true and fair view: (i) in the case of the balance sheet, of the state of the Company's affairs as at the end of its Financial Year and (ii) in the case of the profit and loss account, of the profit or loss for its Financial Year. The auditors' report shall also state: (a) whether they had obtained all the information and explanations which to the best of their knowledge and belief were necessary for the purpose of their audit; (b) whether, in their opinion, proper books of account as required by law have been kept by the Company so far as it appears from the examination of those books and proper Returns adequate for the purpose of their audit have been received from the branches not visited by them; and (c) whether the Company's balance sheet and profit and loss Account dealt with by the report are in agreement with the books of account and Returns; where any of the matters referred to in items (i) and (ii) or a, b, c aforesaid is answered in the negative or with a qualification the auditors' report shall state the reason for the same.

Auditors report to be attached to balance sheet

197. The auditor's report shall be attached to the balance sheet and profit and loss Account or set out at the foot thereof and such report shall be read before the Company in General Meeting and shall be open to inspection by any Member of the Company.

Reading and Inspection of auditors' report

198. The auditors' report shall be read before the Company in General Meeting and shall be open to inspection by any Member of the Company.

Auditors right to attend meetings

199. All notices of, and other communications relating to, General Meeting of a Company which any Member of the Company is entitled to have sent to him shall also be forwarded to the auditors of the Company and the auditors shall be entitled to attend any General Meeting and to be heard at any General Meeting which they attend on any part of the business which concerns them as auditors.

No qualifying remark in auditors report for non disclosure for certain information

200. The Accounts of the Company shall not be deemed as not having been and the auditors' report shall not state that those accounts have not been properly drawn up on the ground merely that the Company has not disclosed certain matters if:

i) Those matters are such as the Company is not required to disclose by virtue of any provisions contained in the said Act and the SARFAESI; and

ii) Those provisions are specified in the balance sheet and profit and loss account of the Company

Accounts when audited and approved to be conclusive except as regards any error discovered therein within three Months

201. If it appears to the Board that the financial statements or the Board's report do not comply with the provisions of Section 129 or Section 134, they may prepare revised financial statements or a revised report in respect of any of the three preceding Financial Years after obtaining approval of the Tribunal on an application made by the Company in accordance with the provisions of Section 131 of the Act or as per the prevailing provisions of the Act.

NOTICES

Notice

202. (1) A notice (which expression for the purposes of These Presents shall be deemed to include and shall include any summons, notice, process, order, judgment, or any other document in relation to or in the winding up of the Company) may be given by the Company to any Member either personally or by sending it by post to him to his registered

address or through electronic means, or if he has no registered address in India to the address, if any, within India supplied by him to the Company for the giving of notices to him.

(2) Where a notice is sent by post, the service of such notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice.

Provided that where a Member has intimated to the Company in advance that documents should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the Member.

Notices on Members having no registered address

203. If a Member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him a notice advertised in a newspaper circulating in the neighborhood of the Registered Office shall be deemed to be duly given to him on the day on which the advertisement appears.

Notice on Persons acquiring share in consequence of the death or insolvency of a Member

204. A notice may be given by the Company to the Persons to a share in consequence of the death or insolvency of a Member by sending it through the post in a pre-paid letter addressed to them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose by the Persons claiming to be so entitled or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.

Notice by Company or signature thereto

205. Any notice to be given by the Company shall be signed by Secretary or by such Director or officer as the Directors may appoint. Such a signature may be Written, printed, or lithographed.

Transferee, etc. bound by prior notice

206. Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share, which, previously to his name and address and title to the share being notified to the Company, shall have been duly given to the person from whom he derives his title to such share.

Notice valid though member deceased

207. Subject to the provisions of the Act and These Presents, notice given in pursuance of These Presents or document delivered or sent by post to or left at the registered address of any Member or at the address given by him in pursuance of These Presents shall notwithstanding such Member be then deceased and whether or not the Company have notice of his decease, be deemed to have been duly served in respect of any registered share, whether held solely or jointly with other Persons by such Member until some other person be registered in his stead as the holder or the joint holder thereof, and such service shall for all purposes of These Presents be deemed sufficient service of such notice or document on his or her heirs, executors or administrators and all Persons, if any, jointly interested with him or her in any such share.

WINDING UP

Winding up

208. Subject to provisions of Chapter XX of the Act and rules made thereunder:

(a) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

(c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers it necessary, but so that no member shall be compelled to accept any Shares or other securities whereon there is any liability.

Distribution of assets

209. If the Company shall be wound up and the assets for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid-up, or which ought to have been paid-up, at the commencement of the winding up, on the Shares held by them respectively. And if, in a winding up, the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up the excess shall be distributed among the Members in proportion to the capital at the commencement of the winding up paid up or which ought to have been paid up on the Shares held by them respectively. But this article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.

Distribution in specie or kind

210. (a) If the Company shall be wound up, the liquidators may, with the sanction of a special resolution and any other sanction required by the Act, divide amongst the contributors in specie or kind the whole or any part of the assets of the Company and may, with the like sanction, vest the whole or any part of the assets of the Company in trustees upon such trusts for the benefit of the contributors or any of them as the liquidators with the like sanction shall think fit, but so that no member shall be compelled to accept any Shares or other securities whereon there is any liability. The liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

(b) If thought expedient any such distribution may subject to the provisions of the Act, the Memorandum and These Presents, be otherwise than in accordance with the legal rights of the contributories / and in particular any class may be given preference or special rights or may be excluded altogether or in part / but in case any distribution otherwise than in accordance with the legal rights of the contributories shall be determined on / any contributory who would be prejudiced thereby shall have a right to dissent and ancillary rights as if such determination were a special resolution passed pursuant to Section 319 of the Act / Section 494 of the Companies Act, 1956 as may be applicable;;

(c) In case any Shares to be divided as aforesaid involve a liability to calls or otherwise, any person entitled under such division to any of the said Shares may, within 10 days after the passing of the special resolution, by Notice in Writing, direct the liquidators to sell his portion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.

Right of Shareholders in case of sale

211. A special resolution sanctioning a sale to any other company duly passed pursuant to Section 319 of the Act / Section 494 of the Companies Act, 1956, as may be applicable, may in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidators be distributed amongst the Members otherwise than in accordance with their existing rights,

and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said section.

SECRECY CLAUSE

Secrecy clause

212. No Member shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter which may be in the nature of a trade, secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it will be inexpedient in the interest of the Company to communicate.

INDEMNITY AND RESPONSIBILITY

Directors and others' right to indemnify

213. (a) Subject to the provisions of Section 197 of the Act, every Director of the Company (whether Managing Director, Manager, Secretary or other officer) or employee shall be indemnified by the Company against and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, and expenses (including travelling expenses) which any such Director, other employee, or auditor may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, other employee, or auditor, or in any way in the discharge of his duties.

(b) Subject as aforesaid every Director, other employee of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or discharged in connection with any application under Section 463 of the Act in which relief is granted to him by the Court or the tribunal.

CONSISTENCY WITH LAW

Consistency with Law

214. At any point in time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, or the Act or any other applicable law, rules, or Regulations, including Bye-Laws of the National Stock Exchange Limited or BSE Limited (collectively, "Bye-Laws"), the provisions of the listing regulations or the Act or any other applicable law, rules, or Regulations, including Bye-Laws, as the case may be, shall prevail over the Articles to such extent, and the Company shall discharge all of its obligations as prescribed therein from time to time.

PART B

Part B of the Articles of Association of our Company provides for, (i) Avenue India Resurgence Pte. Ltd., as the Holding Company and one of our Sponsors, has the right to appoint two nominee directors to the Board; and (ii) State Bank of India, as the Sponsor has the right to appoint one nominee director to our Board. For more details on the Undertaking, see "*History and Certain Corporate Matters – Shareholders' agreements and other agreements*" on page 209.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company) which are, or may be deemed material, have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus filed with the RoC, and also the documents for inspection referred to hereunder may be inspected at our Registered and Corporate Office, from 10.00 a.m. to 5.00 p.m. on Working Days and will also be available at the following weblink: www.arcil.co.in from the date of the Red Herring Prospectus until the Bid/Offer Closing Date (except for such documents or agreements executed after the Bid/Offer Closing Date).

Material Contracts for the Offer

1. Offer Agreement dated August 1, 2025 entered into among our Company, the Selling Shareholders and the BRLMs;

2. Registrar Agreement dated August 1, 2025 entered into among our Company, the Selling Shareholders and the Registrar to the Offer;

3. Cash Escrow and Sponsor Bank Agreement dated [●] entered into among our Company, the Selling Shareholders, the BRLMs, the Syndicate Members, Banker(s`) to the Offer and the Registrar to the Offer;

4. Share Escrow Agreement dated [●] entered into among our Company, Selling Shareholders and the Share Escrow Agent;

5. Syndicate Agreement dated [●] entered into our Company, the Selling Shareholders, BRLMs, the Syndicate Members and the Registrar to the Offer; and

6. Underwriting Agreement dated [●] entered into among our Company, the Selling Shareholders, BRLMs, Syndicate Members the Registrar to the Offer and the Underwriter.

Material Documents

1. Certified copies of our Memorandum of Association and Articles of Association, as amended from time to time;

2. Certificate of incorporation dated February 11, 2002;

3. Certificate of registration to commence/carry on the business of securitization or asset reconstruction under Section 3 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 dated August 29, 2003.

4. Board resolution of our Company, dated July 30, 2025, authorizing the Offer and other related matters;

5. Consent letters and authorizations of the Selling Shareholders authorizing its participation in the Offer;

6. Resolution of our Board of Directors dated July 30, 2025 taking on record the consent and authorization of each of the Selling Shareholders to participate in the Offer for Sale

7. Resolution of our Board dated August 1, 2025 approving this Draft Red Herring Prospectus;

8. Resolution of the Audit Committee dated August 1, 2025 approving the key performance indictors;

9. Copies of our annual reports for the last three Fiscals; i.e., Fiscals 2024, 2023 and 2022.

10. Share Subscription Agreement dated August 12, 2008 entered into between Lathe Investment Pte. Ltd. and our Company, amendment to the Share Subscription Agreement dated November 20, 2008 (collectively, "**SSA**") and Amendment Agreement dated July 1, 2025 to the SSA.

11. Examination report of the Statutory Auditors, M S K A & Associates, Chartered Accountants, on the Restated Standalone Financial Information and the Restated Consolidated Financial Information dated August 1, 2025 and August 1, 2025 respectively, included in this Draft Red Herring Prospectus;

12. Consent from the Statutory Auditors namely, M S K A & Associates, Chartered Accountants to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations and as an "expert" as defined under Section 2(38) of the Companies Act 2013 to the extent and in their capacity as the Statutory Auditors and in respect of their examination report dated August 1, 2025 on our Restated Standalone Financial Information and

examination report dated August 1, 2025 on our Restated Consolidated Financial Information and their report dated August 1, 2025 on the statement of possible special tax benefits included in this Draft Red Herring Prospectus and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. The term "experts" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act;

13. Written consent dated August 1, 2025 from J. Kala & Associates, Chartered Accountants (FRN: 118769W), holding a valid peer review certificate from ICAI, to include their name as required under Section 2(38) and 26 of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act 2013 in respect of the various certifications issued by them in their capacity as an independent chartered accountant to our Company. However, the term 'expert' shall not be construed to mean an 'expert' as defined under the U.S. Securities Act;

14. Written consent dated August 1, 2025 from M/s K S Aiyar & Co., Chartered Accountants, (FRN: 100186W), to include their name as required under Section 26 of the Companies Act, 2013 read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in their capacity as the previous statutory auditor and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act;

15. Consent dated August 1, 2025 from Khanna and Co, practicing company secretary, to include their name as required under Section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of Companies Act, 2013 in respect of the certificates, issued by them in their capacity as an practicing company secretary to our Company.

16. Certificate on key performance indicators issued by J. Kala & Associates, Chartered Accountants (FRN: 118769W) dated August 1, 2025;

17. Certificate on employees stock options plan issued by J. Kala & Associates, Chartered Accountants (FRN: 118769W) dated August 1, 2025;

18. Certificate on weighted average price, average cost of acquisition and price at which specified securities were acquired issued by J. Kala & Associates, Chartered Accountants (FRN: 118769W) dated August 1, 2025;

19. Certificate on financial indebtedness issued by J. Kala & Associates, Chartered Accountants (FRN: 118769W) dated August 1, 2025;

20. Certificate on dividend policies, declaration and payment issued by J. Kala & Associates, Chartered Accountants (FRN: 118769W) dated August 1, 2025;

21. Certificate on outstanding dues to creditors as required under the SEBI ICDR Regulations issued by J. Kala & Associates, Chartered Accountants (FRN: 118769W) dated August 1, 2025;

22. Certificate dated August 1, 2025 from practicing company secretary in relation to the missing and untraceable RoC forms;

23. Consents of bankers to our Company, the BRLMs, the Syndicate Members, Registrar to the Offer, August 1, 2025, Banker(s) to the Offer, legal counsel to the Company as to Indian law, Directors, KMPs, SMPs, Chief Financial Officer and Compliance Officer and Company Secretary to act in their respective capacities;

24. Industry report titled "*Analysis of Asset Reconstruction Industry in India*" dated July, 2025 prepared by CRISIL MI&A, commissioned and paid for by our Company and the engagement letter dated March 11, 2025, amongst the Company and CRISIL;

25. In-principle listing approvals dated [●] and [●], from BSE and NSE, respectively;

26. Tripartite agreement dated June 12, 2025 among our Company, NSDL and Registrar to the Offer;

27. Tripartite agreement dated May 15, 2025 among our Company, CDSL and the Registrar to the Offer;

28. Due diligence certificate to SEBI from the BRLMs dated August 1, 2025; and

29. Final observation letter dated [●] issued by SEBI (Ref. No. [●]).

30. Undertaking by the Company to Avenue India Resurgence Pte. Ltd. and State Bank of India dated July 1, 2025.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I, Narayanan Subramaniam**,** hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines notified thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Narayanan Subramaniam
Chairman and Non-Executive Independent Director

Date: August 1, 2025
Place: Dubai

DECLARATION

I, Pallav Mohapatra, hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines notified thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Pallav Mohapatra
Chief Executive Officer & Managing Director

Date: August 1, 2025
Place: Mumbai

DECLARATION

I, Sudarshan Sen, hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines notified thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Sudarshan Sen
Non-Executive Director

Date: August 1, 2025
Place: New York City

DECLARATION

I, Ashish Shukla, hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines notified thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Ashish Shukla
Non-Executive Director

Date: August 1, 2025
Place: Mumbai

DECLARATION

I, Ashok Kumar Sharma**,** hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines notified thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Ashok Kumar Sharma
Non-Executive Director

Date: August 1, 2025
Place: Mumbai

DECLARATION

I, Pavan Pal Kaushal, hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines notified thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Pavan Pal Kaushal
Non-Executive Independent Director

Date: August 1, 2025
Place: Mumbai

DECLARATION

I, Balachander Rajaraman, hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines notified thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Balachander Rajaraman
Non-Executive Independent Director

Date: August 1, 2025
Place: Delhi

DECLARATION

I, Raksha Shashikant Kothari, hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines notified thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Raksha Shashikant Kothari
Non-Executive Independent Director

Date: August 1, 2025
Place: Mumbai

DECLARATION

I, Prasad Parameswaranpillai Naga, hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines notified thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Prasad Parameswaranpillai Naga
Additional Non-Executive Independent Director

Date: August 1, 2025
Place: Kerala

DECLARATION

I, Pramod Kumar Gupta, hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines notified thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

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Pramod Kumar Gupta
Chief Financial Officer

Date: August 1, 2025
Place: Mumbai

DECLARATION

We, Avenue India Resurgence Pte. Ltd., in our capacity as a Promoter Selling Shareholder, hereby certify that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus about us or in relation to us as one of the Promoter Selling Shareholders and the Equity Shares offered by us in the Offer for Sale, are true and correct. Avenue India Resurgence Pte. Ltd. assumes no responsibility for any other statements, including any of the statements disclosures or undertakings made by or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in this Draft Red Herring Prospectus.

For and on behalf of Avenue India Resurgence Pte. Ltd.

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Authorised Signatory
Name: Lee Choon Chin
Designation: Director

Date: August 1, 2025
Place: Singapore

DECLARATION

We, State Bank of India, in our capacity as a Promoter Selling Shareholder, hereby certify that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus about us or in relation to us as one of the Promoter Selling Shareholders and the Equity Shares offered by us in the Offer for Sale, are true and correct. State Bank of India assumes no responsibility for any other statements, including any of the statements, disclosures or undertakings made by or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person in this Draft Red Herring Prospectus.

For and on behalf of State Bank of India

Authorised Signatory
Name: Satish Chandra Gupta
Designation: Deputy General Manager (PE)

Date: August 1, 2025
Place: Mumbai

DECLARATION

We, Lathe Investment Pte. Ltd., in our capacity as a Selling Shareholder, hereby certify that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus about us or in relation to us as one of the Selling Shareholders and the Equity Shares offered by us in the Offer for Sale, are true and correct. Lathe Investment Pte. Ltd. assumes no responsibility for any other statements, including any of the statements, disclosures or undertakings made by or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in this Draft Red Herring Prospectus.

For and on behalf of Lathe Investment Pte. Ltd.

Authorised Signatory
Name: Tan Hwee Loo
Designation: Director

Date: August 1, 2025
Place: Singapore

DECLARATION

We, The Federal Bank Limited, in our capacity as a Selling Shareholder, hereby certify that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus about us or in relation to us as one of the Selling Shareholders and the Equity Shares offered by us in the Offer for Sale, are true and correct. The Federal Bank Limited assumes no responsibility for any other statements, including any of the statements, disclosures or undertakings made by or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in this Draft Red Herring Prospectus.

For and on behalf of The Federal Bank Limited

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Authorised Signatory
Name: Akhil Thomas Varghese
Designation: Deputy Vice President - II & Head Domestic

Date: August 1, 2025
Place: Mumbai