Letter of Offer
Dated: May 4, 2023
For Eligible Shareholders only

ENBEE TRADE & FINANCE LIMITED

Enbee Trade & Finance Limited ("**Company**" or "**Issuer**") was incorporated as '*Enbee Trade & Finance Limited*' on July 24, 1985 as a public limited company under the Companies Act, 1956 with the Registrar of Companies, Maharashtra and consequently a certificate of commencement of business dated August 6, 1985 was issued to our Company. Pursuant to a special resolution passed by the shareholders of our Company through postal ballot on March 12, 2016, the Registered Office of our Company was shifted from Imambada Road, Nagpur – 440 018, Maharashtra, India to B4 /C5, God's Gift Chs Ltd, N M Joshi Marg, Lower Parel, Mumbai – 400 013, Maharashtra, India.

Registered Office: B4 /C5, God's Gift Chs Ltd, N M Joshi Marg, Lower Parel, Mumbai – 400 013, Maharashtra, India;
Tel: +91 22 7969 2512; **Facsimile:** NA
E-mail: enbeetrade@gmail.com; **Website:** www.enbeetrade.com;
Contact Person: Ruchika Kabra, Company Secretary and Compliance Officer;
Corporate Identification Number: L50100MH1985PLC036945

OUR PROMOTER- AMARR NARENDRA GALLA

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY ONLY

WE HEREBY CONFIRM THAT NEITHER OUR COMPANY NOR OUR PROMOTER OR ANY OF OUR DIRECTORS ARE IDENTIFIED AS WILFUL DEFAULTER OR A FRAUDULENT BORROWER AS ON DATE OF THIS LETTER OF OFFER

ISSUE OF UPTO 3,20,01,000* EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("RIGHTS EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 15 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 5 PER EQUITY SHARE) (THE "ISSUE PRICE"), AGGREGATING UPTO ₹ 4,800.15 LAKHS* ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF TWENTY (20) RIGHTS EQUITY SHARE(S) FOR EVERY ONE (01) FULLY PAID-UP EQUITY SHARE(S) HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON WEDNESDAY, MAY 10, 2023 (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS 1.5 TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED "TERMS OF THE ISSUE" ON PAGE 128 OF THIS LETTER OF OFFER.

**Assuming full subscription. Subject to finalisation of the Basis of Allotment.*

GENERAL RISKS

Investment 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 with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**") nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of the investors is invited to the section titled "*Risk Factors*" on page 20 of this Letter of Offer.

OUR COMPANY'S ABSOLUTE RESPONSIBILITY

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

LISTING

The existing Equity Shares are listed on BSE Limited ("**BSE**") (the "**Stock Exchange**"). Our Company has received 'in-principle' approval from BSE for listing the Rights Equity Shares to be allotted pursuant to this Issue *vide* its letter dated April 19, 2023. For the purpose of this Issue, the Designated Stock Exchange is BSE.

LEAD MANAGER TO THE ISSUE

SAFFRON CAPITAL ADVISORS PRIVATE LIMITED
605, Center Point, 6th floor,
Andheri Kurla Road, J. B. Nagar,
Andheri (East), Mumbai - 400 059,
Maharashtra, India.
Telephone: +91 22 49730394
Facsimile: NA
E-mail: rights.issue@saffronadvisor.com
Website: www.saffronadvisor.com
Investor grievance: investorgrievance@saffronadvisor.com
Contact Person: Elton D'souza / Pooja Jain
SEBI Registration Number: INM 000011211
Validity of Registration: Permanent

REGISTRAR TO THE ISSUE

CAMEO CORPORATE SERVICES LIMITED
Subramanian Building, No. 01, Club House Road,
Chennai- 600 002, Tamil Nadu, India.
Telephone: +91 44 4002 0700
Facsimile: N.A.
Email: priya@cameoindia.com
Website: www.cameoindia.com
Investor grievance e-mail: investor@cameoindia.com
Contact Person: K. Sreepriya
SEBI Registration No.: INR000003753
Validity of Registration: Permanent

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSES ON**
THURSDAY, MAY 18, 2023	FRIDAY, MAY 26, 2023	THURSDAY, JUNE 1, 2023

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

*** Our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Letter of Offer uses certain definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalized terms used in this Letter of Offer shall have the meaning as defined hereunder. References to any legislations, acts, regulation, rules, guidelines, circulars, notifications, policies or clarifications shall be deemed to include all amendments, supplements or re-enactments and modifications thereto notified from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under such provision.

Provided that terms used in the sections/ chapters titled "Industry Overview", "Summary of this Letter of Offer", "Financial Information", "Statement of Special Tax Benefits", "Outstanding Litigation and Material Developments" and "Issue Related Information" on pages 56, 18, 68, 52, 120 and 128 respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/ chapters.

Company Related Terms

Term	Description
"Company", "our Company", "the Company", "the Issuer" or "ETFL"	Enbee Trade & Finance Limited, a public limited company incorporated under the Companies Act, 1956, having its registered office at B4 /C5, Gods Gift Chs Ltd, N M Joshi Marg, Lower Parel, Mumbai – 400 013, Maharashtra, India.
"we", "us", or "our"	Unless the context otherwise indicates or implies, refers to our Company.
Annual Audited Financial Statements	The audited financial statements of our Company prepared as per Ind AS for Fiscal 2022, Fiscal 2021 and Fiscal 2020, prepared in line with Ind AS notified under the Companies Act, 2013, as amended read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
"Articles" / "Articles of Association" / "AoA"	Articles / Articles of Association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as our Company's audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**") and Section 177 of the Companies Act, 2013.
"Auditor" / "Statutory Auditor"/ "Peer Review Auditor"	Statutory and peer review auditor of our Company, namely, Ambavat Jain & Associate LLP, Chartered Accountants.
"Board" / "Board of Directors"	Board of directors of our Company or a duly constituted committee thereof.
"Chief Financial Officer / CFO"	Meyhul Narendra Gaala, the Chief Financial Officer of our Company.
Company Secretary and Compliance Officer	Ruchika Kabra, the Company Secretary and the Compliance Officer of our Company.
"Corporate Social Responsibility Committee/ CSR Committee"	The committee of the Board of directors constituted as our Company's corporate social responsibility committee in accordance with Section 135 of the Companies Act, 2013.
Director(s)	The director(s) on the Board of our Company, unless otherwise specified.
Equity Shareholder	A holder of Equity Shares
Equity Shares	Fully paid-up Equity shares of our Company of face value of ₹ 10 each.
Executive Directors	Executive Directors of our Company.
Independent Director(s)	The Independent Director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013.
"Key Management Personnel" / "KMP"	Key Management Personnel of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as described in the subsection titled "*Our*

Term	Description
	Management and Organizational Structure – Key Managerial Personnel" on page 67 of this Letter of Offer.
"Limited Reviewed Financial Information" or "Limited Reviewed Financial Statements"	The limited reviewed unaudited financial results for the nine months period ended December 31, 2022, prepared in accordance with the Companies Act and SEBI Listing Regulations. For details, see "*Financial Information*" on page 68 of this Letter of Offer.
Materiality Policy	Policy on determination of materiality of events adopted by our Company in accordance with Regulation 30 of the SEBI Listing Regulations.
"Memorandum of Association" / "MoA"	Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The committee of the Board of directors reconstituted as our Company's Nomination and Remuneration Committee in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.
Non-Executive and Independent Director	Non-Executive and Independent Directors of our Company, unless otherwise specified.
Non-executive Directors	Non-executive Directors of our Company.
Promoter Group	Individuals and entities forming part of the promoter and promoter group in accordance with SEBI ICDR Regulations.
Promoter(s)	Amarr Narendra Galla is the Promoter of our Company.
Registered Office	The Registered Office of our Company located at B4 /C5, God's Gift Chs Ltd, N M Joshi Marg, Lower Parel, Mumbai – 400 013, Maharashtra, India.
"Registrar of Companies"/ "RoC"	Registrar of Companies, Maharashtra at Mumbai having its office at 100, Everest, Marine Drive, Mumbai 400 002, Maharashtra, India.
Rights Issue Committee	The committee of our Board constituted for purposes of the Issue and incidental matters thereof.
Shareholders/ Equity Shareholders	The Equity Shareholders of our Company, from time to time.
Stakeholders' Relationship Committee	The committee of the Board of Directors constituted as our Company's Stakeholders' Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations.

Issue Related Terms

Term	Description
"Abridged Letter of Offer" or "ALOF"	Abridged letter of offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act.
"Allot" or "Allotment" or "Allotted"	Allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account	The account opened with the Banker to the Issue, into which the Application Money lying to the credit of the escrow account and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act.
Allotment Advice	Note, advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue.
Allotment Date	Date on which the Allotment is made pursuant to the Issue.
Allottee(s)	Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue.
Applicant(s) / Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to the Issue in terms of this Letter of Offer, including an ASBA Investor.
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price.
Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application though the website of the

Term	Description
	SCSBs (if made available by such SCSBs) under the ASBA process) used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue.
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.
Application Supported by Blocked Amount/ASBA	Application (whether physical or electronic) used by ASBA Applicants to make an Application authorizing the SCSB to block the Application Money in the ASBA Account
ASBA Account	Account maintained with SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Equity Shareholders, as the case may be.
ASBA Applicant / ASBA Investor	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including renouncee) shall make an application for a rights issue only through ASBA facility.
ASBA Bid	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.
Banker(s) to the Issue	Collectively, the Escrow Collection Bank and the Refund Banks to the Issue.
Bankers to the Issue Agreement	Agreement dated April 19, 2023 entered into by and among our Company, the Registrar to the Issue, the Lead Manager and the Banker to the Issue for collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account and where applicable, refunds of the amounts collected from Applicants/Investors, on the terms and conditions thereof.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in the Issue and which is described in "*Terms of the Issue*" on page 128 of this Letter of Offer.
Consolidated Certificate	The certificate that would be issued for Rights Equity Shares Allotted to each folio in case of Eligible Equity Shareholders who hold Equity Shares in physical form.
"Controlling Branches" "Controlling Branches of the SCSBs"	Such branches of SCSBs which coordinate Bids under the Issue with the Lead Manager, the Registrar to the Issue and the Stock Exchange, a list of which is available on the website of SEBI at http://www.sebi.gov.in.
Demographic Details	Details of Investors including the Investor's address, name of the Investor's father/ husband, investor status, occupation and bank account details, where applicable.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	BSE Limited
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.
"Draft Letter of Offer" "DLoF", "DLOF"	The draft letter of offer dated February 28, 2023 which was filed with the Stock Exchange for its observations and in-principal approval.
Eligible Equity Shareholders	Existing Equity Shareholders as on the Record Date. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, see "*Notice to Investors*" on page 11.

Term	Description
Escrow Collection Bank	Bank which is a clearing member and registered with SEBI as banker to an issue and with whom Escrow Account will be opened, in this case being ICICI Bank Limited.
"Issue" or "Rights Issue"	Issue of up to 3,20,01,000* Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ 15 per Rights Equity Share (including a premium of ₹ 5 per Rights Equity Share) aggregating up to ₹ 4,800.15 lakhs* on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of twenty (20) Rights Equity Shares for every one (01) fully paid-up Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date i.e. Wednesday, May 10, 2023. **Assuming full subscription. Subject to finalisation of the Basis of Allotment.*
Issue Agreement	Issue Agreement dated February 06, 2023 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	Thursday, June 1, 2023
Issue Material	Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue
Issue Opening Date	Thursday, May 18, 2023
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Applications, in accordance with the SEBI ICDR Regulations.
Issue Price	₹ 15 per Rights Equity Share
Issue Proceeds	The Gross proceeds raised through the Issue.
Issue Size	Amount aggregating up to ₹ 4,800.15 lakhs* **Assuming full subscription. Subject to finalisation of the Basis of Allotment.*
Lead Manager	Saffron Capital Advisors Private Limited
"Letter of Offer" or "LOF"	The final letter of offer dated May 4, 2023 filed with the Stock Exchange and with SEBI for record purposes.
Net Proceeds	Proceeds of the Issue less our Company's share of Issue related expenses. For further information about the Issue related expenses, see "*Objects of the Issue*" on page 48 of this Letter of Offer.
"Non-ASBA Investor" or "Non-ASBA Applicant"	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process comprising Eligible Equity Shareholders holding Equity Shares in physical form or who intend to renounce their Rights Entitlement in part or full and Renouncees.
"Non-Institutional Bidders" or "NIIs"	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations.
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws.
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before Friday, May 26, 2023.
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being Wednesday, May 10, 2023.
Refund Bank	The Banker to the Issue with whom the Refund Account will be opened, in this case being ICICI Bank Limited.
"Registrar to the Company"	Adroit Corporate Services Private Limited
"Registrar to the Issue" or "Registrar"	Cameo Corporate Services Limited

Term	Description
Registrar Agreement	Agreement dated November 7, 2022 entered into among our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Renouncee(s)	Any person(s) who has/have acquired the Rights Entitlement from the Eligible Equity Shareholders on renunciation in accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on Friday, May 26, 2023 in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.
"Retail Individual Bidders(s)" or "Retail Individual Investor(s)" or "RII(s)" or "RIB(s)"	An individual Investor (including an HUF applying through Karta) who has applied for Rights Equity Shares and whose Application Money is not more than ₹200,000 in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations.
Rights Entitlement	The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, being twenty (20) Rights Equity Shares for every one (01) fully paid-up Equity Share held on Wednesday, May 10, 2023. The Rights Entitlements with a separate ISIN: INE993I20011 will be credited to your demat account before the date of opening of the Issue, against the equity shares held by the Equity Shareholders as on the record date.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue on fully paid up basis of Allotment.
Self-Certified Syndicate Banks" or "SCSBs	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through 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=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time
Stock Exchange	Stock Exchange where the Equity Shares are presently listed, being BSE.
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
Wilful Defaulter or a Fraudulent Borrower	A Company or person, as the case may be, categorized as a wilful defaulter or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, including any company whose director or promoter is categorized as such.
Working Day	All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, Term Description the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchange. "Working Day" shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

Business and Industry related Terms or Abbreviations

Term	Description
AML	Anti-money laundering
CRAR	Capital to risk-weighted assets ratio
ECL	Expected credit loss
EPS	Earning Per Share
EMIs	Equated Monthly Instalments
FY	Fiscal Year
GNPA	Gross non-performing assets
IBA	Indian Bank Association
NNPA	Net non-performing assets
NPA	Non-performing assets, and in relation to the RBI Master Directions, shall have the meaning ascribed to it in the RBI Master Directions
UPI	Unified Payment Interface
US/USA	The United States of America
YoY	Year on Year

Conventional and General Terms or Abbreviations

Term	Description
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIBIL	Credit Information Bureau (India) Limited
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with rules made thereunder
Companies Act 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
CSR	Corporate Social Responsibility
Depository(ies)	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary General Meeting
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
Financial Year/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year

Term	Description
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 2019
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended from time to time
INR or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India.
ISIN	International Securities Identification Number
IT	Information Technology
MCA	The Ministry of Corporate Affairs, GoI
Mn / mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NAV	Net Asset Value
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect.
NSDL	National Securities Depository Limited
OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue.
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, as amended
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended

Term	Description
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended.
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, since repealed and replaced by the SEBI (AIF) Regulations
Securities Act	The United States Securities Act of 1933.
STT	Securities Transaction Tax
State Government	The Government of a state in India
Trademarks Act	Trademarks Act, 1999, as amended
TDS	Tax Deducted at Source
US$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

NOTICE TO INVESTORS

The distribution of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter (collectively **"Issue Material"**) and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will electronically dispatch through email or physical dispatch through registered post/speed post the Letter of Offer / Abridged Letter of Offer and Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, the Letter of Offer will be provided, through email or physical dispatch through registered post/ speed post, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Lead Manager, the Stock Exchange.

In case the Eligible Equity Shareholders have provided their valid e-mail address registered with the depositories/ Company, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Our Company, the Lead Manager, and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials.

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

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

THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS BUSINESS, LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, NEITHER OUR COMPANY NOR THE LEAD MANAGER IS

MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

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

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

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

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

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (the "**US SEC**"), any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Equity Shares or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants / Investors. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

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

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a Public Limited (Listed) Company under the laws of India and all the Directors and all Executive Officers are residents of India. It may not be possible or may be difficult for investors to affect service of process upon the Company or these other persons outside India or to enforce against them in courts in India, judgments obtained in courts outside India. India is not a party to any international treaty in relation to the automatic recognition or enforcement of foreign judgments.

However, recognition and enforcement of foreign judgments is provided for under Sections 13, 14 and 44A of the Code of Civil Procedure, 1908, as amended (the "**Civil Procedure Code**"). Section 44A of the Civil Procedure Code provides that where a certified copy of a decree of any superior court (within the meaning of that section) in any country or territory outside India which the Government of India has by notification declared to be a reciprocating territory, is filed before a district court in India, such decree may be executed in India as if the decree has been rendered by a district court in India. Section 44A of the Civil Procedure Code is applicable only to monetary decrees or judgments not being in the nature of amounts payable in respect of taxes or other charges of a similar nature or in respect of fines or other penalties. Section 44A of the Civil Procedure Code does not apply to arbitration awards even if such awards are enforceable as a decree or judgment. Among others, the United Kingdom, Singapore, Hong Kong and the United Arab Emirates have been declared by the Government of India to be reciprocating territories within the meaning of Section 44A of the Civil Procedure Code.

The United States has not been declared by the Government of India to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code. Under Section 14 of the Civil Procedure Code, an Indian court shall, on production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction unless the contrary appears on the record; but such presumption may be displaced by proving want of jurisdiction.

A judgment of a court in any non-reciprocating territory, such as the United States, may be enforced in India only by a suit upon the judgment subject to Section 13 of the Civil Procedure Code, and not by proceedings in execution. Section 13 of the Civil Procedure Code, which is the statutory basis for the recognition of foreign judgments (other than arbitration awards), states that a foreign judgment shall be conclusive as to any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title except where:

- The judgment has not been pronounced by a court of competent jurisdiction;
- The judgment has not been given on the merits of the case;
- The judgment appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognize the law of India in cases where such law is applicable;
- The proceedings in which the judgment was obtained are opposed to natural justice;
- The judgment has been obtained by fraud; and/or
- The judgment sustains a claim founded on a breach of any law in force in India.

A suit to enforce a foreign judgment must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. In addition, it is unlikely that an Indian court would enforce foreign judgments if it considered the amount of damages awarded as excessive or inconsistent with public policy or if the judgments are in breach of or contrary to Indian law. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the Reserve Bank of India to repatriate any amount recovered pursuant to execution of such judgment. Any judgment in a foreign currency would be converted into Rupees on the date of such judgment and not on the date of payment and any such amount may be subject to income tax in accordance with applicable laws. The Company cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

PRESENTATION OF FINANCIAL INFORMATION

Certain Conventions

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

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

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

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

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

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Letter of Offer has been derived from our Financial Statements. For details, please see "*Financial Information*" on page 68 of this Letter of Offer. Our Company's financial year commences on April 01 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The GoI has adopted the Indian accounting standards ("**Ind AS**"), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board ("**IFRS**") and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the "**Ind AS Rules**").

We have prepared our annual Audited Financial Statements in accordance with Ind AS and Limited Review Report in accordance with recognition and measurement principles laid down in Ind AS 34 prescribed under the Section 133 of the Companies Act 2013 and Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements), 2015. Our Company publishes its financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited.

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

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Letter of Offer should accordingly be limited. For further information, see "*Financial Information*" on page 68 of this Letter of Offer.

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

change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Currency and Units of Presentation

All references to:

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

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

Exchange Rates

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

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

Currency	Exchange rate as on			
	December 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
1 USD	82.77	75.80	73.53	75.38

(Source:www.fbil.org.in)

Industry and Market Data

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

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured.

Although we believe the industry and market data used in this Letter of Offer is reliable, it has not been independently verified by us, the LM or any of its affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on page 20, of this Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

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

FORWARD - LOOKING STATEMENTS

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

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

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

- As an NBFC, we are subject to periodic inspections by the RBI. Non-compliance with observations made by RBI during these inspections could expose us to penalties and restrictions;
- We operate in a highly competitive industry and our inability to compete effectively may adversely affect our business;
- Our business will require substantial funds, and any disruption in funding sources would have a material adverse effect on our liquidity and financial condition;
- We are affected by volatility in interest rates for both our lending and fund raisings operations, which could cause our net interest income to decline and adversely affect our results of operations and profitability; and
- We depend on the accuracy and completeness of information about customers and counterparties for certain key elements of our credit assessment and risk management process. Any misrepresentation, errors in or incompleteness of such information could adversely affect our business and financial performance.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" beginning on pages 20, 63 and 110, respectively, of this Letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflect the current views of our Company as of the date of this Letter of Offer and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, our Promoters, the LM, the Syndicate Member(s) nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

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

SUMMARY OF THIS LETTER OF OFFER

The following is a general summary of the terms of this Issue, and should be read in conjunction with and is qualified by the more detailed information appearing in this Letter of Offer, including the sections titled "*Risk Factors*", "*The Issue*", *"Capital Structure*", "*Objects of the Issue*", "*Our Business*", "*Industry Overview*", "*Outstanding Litigations and Defaults*" and "*Terms of the Issue*" on pages 20, 40, 46, 48, 63, 56, 120 and 128 respectively.

1. Primary Business of our Company

We are a Non Deposit Accepting Non-Banking Financial Company (NBFC) registered with RBI to carry on the NBFC activities under Section 45IA of the Reserve Bank of India Act, 1934 bearing Registration no. 13.00691 dated April 20, 1998. As the Company has been granted NBFC License by RBI, the Company's business model is mainly centered on Loan activities i.e. granting of unsecured loans to body corporates and individuals. We need financial resources to fuel the growing demand and to seize the opportunities presented by the market from time to time. We have been in the business for the last 25 years. There are no holding as well as subsidiary companies of the Company.

For further details, please refer to the chapter titled "*Our Business*" at page 63 of this Letter of Offer.

2. Objects of the Issue

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

(₹ in lakhs)

Particulars	Amount
Repayment of unsecured loans availed by our company from Promoter and Promoter Group	2,490.00
Augmentation of Capital Base of our Company	2,210.00
Net Proceeds from the Issue	**4,700.00**

For further details, please see chapter titled "*Objects of the Issue*" beginning on page 48 of this Letter of Offer.

3. Intention and extent of participation by our Promoters and Promoter Group in the Issue:

Amarr Narendra Galla, the Promoter of our Company, and members of our Promoter Group have, *vide* his letters dated February 24, 2023 (the "**Subscription Letters**") undertaken to: (a) subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoters or member(s) of the Promoter Group of our Company; and (b) subscribe to, either individually or jointly and/ or severally with any other Promoters or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue.

The additional subscription by the promoter and promoter group shall be made subject to such additional subscription not resulting in the minimum public shareholding of the issuer falling below the level prescribed in LODR/ SCRR. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

4. Summary of Outstanding Litigation and Defaults

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

Nature of cases	Number of cases	Amount involved* (₹ in lakhs)
Proceedings involving moral turpitude or criminal liability on our Company	Nil	Nil
Proceedings involving material violations of statutory regulation by our Company	3	5.70
Matters involving economic offences where proceedings have been initiated against our Company	Nil	Nil
Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms	Nil	Nil

Nature of cases	Number of cases	Amount involved* (₹ in lakhs)
of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company		

5. Risk Factors

Please see the chapter titled "*Risk Factors*" beginning on page 20 of this Letter of Offer.

6. Summary of Contingent Liabilities

For details regarding our contingent liabilities for Fiscal 2022 and December 31, 2022, see "*Financial Information"* at page 68 of this Letter of Offer.

7. Summary of Related Party Transactions

For details regarding our related party transactions for Fiscal 2022 and December 31, 2022, see "*Financial Information"* at page 68 of this Letter of Offer.

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

Our Company has not made any issuances of Equity Shares in the last one year for consideration other than cash.

SECTION II - RISK FACTORS

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

To obtain a complete understanding, you should read this section in conjunction with the sections "Industry Overview", "Our Business" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 56, 63 and 110 of this Letter of Offer, respectively. The industry-related information disclosed in this section has been derived from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Neither our Company, nor any other person connected with the Issue, including the LM, has independently verified the information in the industry report or other publicly available information cited in this section.

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

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

Materiality:

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

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

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

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

In this section, unless the context requires otherwise, any reference to "we", "us" or "our" refers to Enbee Trade & Finance Limited.

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

INTERNAL RISK FACTORS

BUSINESS RELATED RISKS

1. ***As an NBFC, we are subject to periodic inspections by the RBI. Non-compliance with observations made by RBI during these inspections could expose us to penalties and restrictions.***

   Under section 45N of the Reserve Bank of India, 1934 ("**RBI Act**") we are subject to periodic inspections by the RBI to verify correctness or completeness of any statement, information or particulars furnished to the RBI for the purpose of obtaining any information or particulars which our Company has failed to furnish on being called upon to do so. While we may respond to RBI and address such observations; there can be no assurance that the RBI will not make similar or other observations in the future. If we are unable to resolve such deficiencies to RBI's satisfaction, our ability to conduct out business may be adversely affected. Imposition of any penalty or adverse findings by the RBI during the ongoing or any future inspections may have an adverse impact on our business prospects, financial condition and results of operations.

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

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

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

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

   Our liquidity and profitability are, in large part, dependent upon our timely access to, and costs associated with raising capital including both debt and equity. Our business depends and will continue to depend on our ability to access diversified low-cost funding sources. As a financial services company, we face certain additional regulatory restrictions on our ability to obtain financing from banks. Further, under Indian Law, foreign investors are subject to investment restrictions that may limit our ability to attract foreign investors or capital from overseas investors.

   Pursuing our growth strategy and introducing new product offerings to our customers will have an impact on our long-term capital requirements. With the growth of our business, we may be increasingly reliant on funding from debt capital markets. The market for such funds is competitive and our ability to obtain funds at competitive rates will depend on various factors. If we are unable to access funds at an effective cost that is comparable to or lower than our competitors, we may not be able to offer competitive interest rates for our loans. Our ability to raise funds on acceptable terms and at competitive rates continues to depend on various factors, including the regulatory environment and policy initiatives in India, lack of liquidity in the market, developments in the international markets affecting the Indian economy, investors' and/or lenders'

perception of demand for debt and equity securities of NBFCs, and our current and future results of operations and financial condition. If we are unable to obtain adequate financing or financing on terms satisfactory to us and in a timely manner, our ability to grow or support our business and to respond to business challenges could be limited and our business prospects, financial condition and results of operations would be materially and adversely affected.

4. ***The majority of Issue proceeds will be utilized by our Company for repayment of unsecured loans availed by it from our Promoter and members of our Promoter Group.***

One of the Objects of this Issue is to repay the unsecured loans amounting to ₹ 2,490 lakhs availed by our Company from our Promoter and members of our Promoter Group. As on January 31, 2023, we have outstanding unsecured loans aggregating to ₹ 2,490 lakhs from our Promoter and member of the Promoter Group. Out of the Issue proceeds, we intend to utilize ₹ 2,490 lakhs for repayment of unsecured loans availed by our Company from our Promoter and members of the Promoter Group. For further details, please see the chapter titled "*Objects of the Issue*" beginning on page 48 of this Letter of Offer.

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

A significant component of our revenue is the interest on loans and other financing activity we receive from the loans we disburse. Our net interest margins are affected by any volatility in interest rates in our lending operations. Interest rates are highly sensitive to many factors beyond our control, including competition from other banks and NBFCs, the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions and other factors, which have historically generated a relatively high degree of volatility in interest rates in India. Persistently high inflation in India may discourage the Government from implementing policies that would cause interest rates to decrease. Moreover, if there is an increase in the interest rates we pay on our borrowings that we are unable to pass to our customers, we may find it difficult to compete with our competitors, who may have access to funds at a lower cost or lower cost deposits. To the extent our borrowings are linked to market interest rates, we may have to pay interest at a higher rate than lenders that borrow only at fixed interest rates. Further, our ability to pass on any increase in interest rates to borrowers may also be constrained by regulations implemented by the Government or the RBI. In a declining interest rate environment, if our cost of funds does not decline simultaneously or to the same extent as the yield on our interest-earning assets, it could lead to a reduction in our net interest income and net interest margin.

6. ***We depend on the accuracy and completeness of information about customers and counterparties for certain key elements of our credit assessment and risk management process. Any misrepresentation, errors in or incompleteness of such information could adversely affect our business and financial performance.***

In deciding whether to extend credit or enter into other transactions with customers, for certain key elements of the credit assessment process, we rely on information furnished to us by or on behalf of customers (including in relation to their financial transactions and past credit history). We may also rely on certain representations from our customers as to the accuracy and completeness of that information. For ascertaining the creditworthiness and encumbrances on collateral we may depend on the respective registrars and sub - registrars of assurances, credit information companies or credit bureaus, and on independent valuers in relation to the value of the collateral, and our reliance on any misleading information given, may affect our judgement of credit worthiness of potential borrowers, and the value of and title to the collateral, which may affect our business, prospects, results of operations and financial condition. We may receive inaccurate or incomplete information as a result of negligence or fraudulent misrepresentation. Our risk management measures may not be adequate to prevent or deter such activities in all cases, which may adversely affect our business prospects, financial condition and results of operations.

7. ***High levels of customer defaults or delays in repayment of loans could adversely affect our business, financial condition and results of operations.***

Our business involves lending money and accordingly we are subject to customer default risks including default or delay in repayment of principal and/or interest on our loans. Customers may default on their

obligations to us as a result of various factors including bankruptcy, lack of liquidity, lack of business and operational failure. If borrowers fail to repay loans in a timely manner or at all, our financial condition and results of operations will be adversely impacted. Although we believe that our risk management controls are sufficient, we cannot be certain that they will continue to be sufficient or that additional risk management policies for individual borrowers will not be required. Failure to continuously monitor the loan contracts, could adversely affect our credit portfolio which could have a material and adverse effect on our results of operations and financial condition.

8. ***We may not be able to recover, on a timely basis or at all, the full value of collateral or amounts which are sufficient to cover the outstanding amounts due under defaulted loans.***

   The value of the security provided to us, may be subject to reduction in value on account of other extraneous reasons. Consequently, the realizable value of the security for the loans provided by us, when liquidated, may be lower than principal amount outstanding along with interest and other costs recoverable from such customers.

   Although we believe that we generally maintain a sufficient margin in the collateral value, if we have to enforce such pledges and if at the time of such enforcement, due to adverse market conditions, the market value of the pledged securities have fallen to a level where we are unable to recover the monies lent by us, along with interest accrued thereon and associated costs, the results of our operations would be adversely affected. In case of any shortfall in margins in connection with the securities pledged as collaterals, we typically call upon the relevant customer to provide further collateral to make up for the deficit in such margins. Furthermore, enforcing our legal rights by litigating against defaulting customers is generally a slow and potentially expensive process in India. Accordingly, it may be difficult for us to recover amounts owed by defaulting customers in a timely manner or at all.

9. ***Our Company's inability to obtain, renew or maintain the statutory and regulatory permits and approvals which are required to operate its existing or future businesses may have a material adverse effect on its business, financial condition, cash flows and results of operations.***

   NBFCs in India are subject to regulations and supervision by the RBI. In addition to the numerous conditions required for the registration as an NBFC with the RBI, we are also required to comply with certain other regulatory requirements for its business imposed by the RBI. In the future, there could be circumstances where our Company may be required to renew applicable permits and approvals and obtain new permits and approvals for its current and any proposed operations or in the event of a change in applicable law and regulations. There can be no assurance that RBI or other relevant authorities will issue any such permits or approvals in the time-frame anticipated by our Company, or at all. In addition, we require several registrations to operate our branches in the ordinary course of business. These registrations include those required to be obtained or maintained under applicable legislations governing shops and establishments, professional tax, GST registrations etc. Some of these approvals may have expired in the ordinary course, and our Company has either applied, or is in the process of applying for renewals of them. Failure by our Company to renew, maintain or obtain the required permits or approvals may result in an interruption of its operations and may have a material adverse effect on its business, financial condition, cash flows and results of operation.

10. ***Our borrowers may transfer loan balances to other banks or financial institutions, resulting in a loss of expected interest income expected from such loans.***

    If interest rates rise, borrowers with variable interest rates on their loans are exposed to increased equated monthly instalments ("**EMIs**") when the loans' interest rate adjusts upward. Such borrowers may seek to refinance their loans through balance transfer to other banks and financial institutions to avoid increased EMIs that result from an upwards adjustment of the loans' interest rate. Even if interest rates do not increase, our borrowers may seek to transfer loans to banks or other financial institutions that offer lower interest rates. Loan balance transfers result in a loss of interest income expected from such loans over the course of their tenure. All NBFCs and HFCs are prohibited from charging pre-payment penalties on any floating rate term loan sanctioned for purposes other than business to individual borrowers. Even where we are allowed to charge a prepayment penalty, the amount of such penalty will not make up for all of the loss of interest income expected from such loans. Some of our borrowers may be able to find balance transfer options at comparably lower interest rates or other financing alternatives, which could have an adverse effect on our business, results of operations and financial condition.

11. ***We may experience difficulties in expanding our products.***

Expanding our products portfolio with new or existing products can be costly and require significant management time and attention. Additionally, as our operations grow in size, scope and complexity and our product offerings increase, we will need to enhance and upgrade our systems and infrastructure to offer an increasing number of enhanced solutions, features and functionality. The expansion of our systems and infrastructure will require us to commit substantial financial, operational and technical resources in advance of an increase in the volume of business, with no assurance that the volume of business will increase. We will need to recruit new employees, who will have to be trained and integrated into our operations. We will also have to train existing employees to adhere properly to internal controls and risk management procedures. Failure to train our employees properly may result in an increase in employee attrition rates, require additional hiring, erode the quality of customer service, divert management resources, increase our exposure to high -risk credit and impose significant costs on us.

12. ***We are exposed to operational and credit risks which may result in NPAs, and we may be unable to control or reduce the level of NPAs in our portfolio.***

Our Company's inability to control the number and value of its NPAs may lead to deterioration of the quality of its loan portfolio and may adversely impact its business. Further, if our customers default in their repayment obligations, our business, results of operations, financial condition and cash flows may be adversely affected.

13. ***We may face asset-liability mismatches, which could affect our liquidity and consequently may adversely affect our operations and profitability.***

Assets and liability mismatch ("**ALM**") represents a situation when financial terms of an institution's assets and liabilities do not match. ALM is a key financial parameter indicative of an NBFC's performance. We cannot assure you that we will be able to maintain a positive ALM always. We may rely on funding options with short term maturity periods for extending long term loans, which may lead to a negative ALM. Further, mismatches between our assets and liabilities are compounded in case of prepayment of financing facilities we grant to customers. Any mismatch in our ALM, may lead to a liquidity risk and have an adverse effect on our business prospects, financial condition, results of operations and profitability.

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

We store customers' bank information, credit information and other sensitive data. Any accidental or willful security breaches or other unauthorized access could cause the theft and criminal use of this data. Security breaches or unauthorized access to confidential information could also expose us to liability related to the loss of the information, time-consuming and expensive litigation and negative publicity. If security measures are breached because of third party action, employee error, malfeasance or otherwise, or if design flaws in our software are exposed and exploited, and, as a result, a third party obtains unauthorized access to customer data, our relationships with customers will be severely damaged, and we could incur significant liability. Further, we engage with certain third party service providers, and although our contracts with them restrict the usage of client data and impose protective precautions, there can be no assurance that they will abide by such contractual terms or that the contracts will be found to be in compliance with data protection laws. Because techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until they are launched against a target, we and our third party hosting facilities may be unable to anticipate these techniques or to implement adequate preventative measures. In addition, we may be required under applicable regulations to notify individuals of data security breaches involving their personal data. These mandatory disclosures regarding a security breach are costly to implement and often lead to widespread negative publicity, which may cause customers to lose confidence in the effectiveness of our data security measures. Any security breach, whether actual or perceived, would harm our reputation, and result in lost customers, which could in turn have a material adverse effect on our business, prospects, results of operations, financial condition or cash flows.

15. ***If we are unable to comply with the capital adequacy requirements stipulated by the RBI in connection with our lending business, our business, results of operations and cash flows may be materially and***

adversely affected.

Our lending business, is subject to various regulations relating to the capital adequacy of NBFCs, which determine the minimum amount of capital we are required to maintain. There can be no assurance that we will be able to maintain CRAR within the regulatory requirements. Further, as we grow our lending business loan portfolio, we will be required to raise additional Tier I and Tier II capital in order to continue to meet applicable capital adequacy ratios with respect to such business. There can be no assurance that we will be able to raise adequate additional capital in the future on favourable terms, or at all. This could result in non-compliance with applicable capital adequacy ratios, which could have a material adverse effect on our business, results of operations and cash flows. Also, there is no assurance that RBI will not take any action for breaches in capital adequacy norms by our Company in the future. This could materially adversely affect our business, prospects, results of operations, financial condition and cash flows and could impair our ability to continue current operations and in extreme case, may lead to suspension/ cancellation/ withdrawal of our license to operate as an NBFC.

16. Any failure or severe weakness in our internal controls system could result in operational errors or fraud, affecting our profitability and reputation materially and negatively.

We have appropriate internal controls that are commensurate with the size and complexity of our operations. Our internal control procedures are equipped to conduct continuing assessments of the sufficiency and effectiveness of internal controls to ensure that business units follow our internal risk policies, compliance requirements, and internal circular guidelines. While we test and update our internal controls systems on a regular basis, we are nevertheless susceptible to operational risks deriving from the potential inadequacy or failure of internal processes or systems, and our measures may not be enough to ensure effective internal controls in all instances.

Our management information systems and internal control procedures for monitoring our operations and overall compliance may not catch every instance of non-compliance or suspicious transaction. If internal control deficiencies are discovered, our actions may not be sufficient to remedy the situation. We encounter operational risks and there may be losses as a result of internal control system failures or shortcomings. Deal errors, pricing problems, erroneous financial reporting, fraud, and the loss of essential systems and infrastructure may all result from failures in our internal controls systems. Such incidents may have a negative impact on our reputation, business, and operational outcomes. Internal control failures or material deficiencies can also lead to fraud situations. There can also be no assurance that we would be able to prevent frauds in the future or that our existing internal mechanisms to detect or prevent fraud will be sufficient. Any fraud discovered in the future may have an adverse effect on our reputation, business, results of operations and financial condition.

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

A number of other companies have disclosed cyber-attacks and security breaches, some of which have involved intentional attacks. Attacks may be targeted at us, our customers, or both. Although we devote significant resources to maintain and regularly upgrade our systems and processes that are designed to protect the security of our computer systems, software, networks and other technology assets and the confidentiality, integrity and availability of information belonging to us and our customers, our security measures may not provide absolute security. Despite our efforts to ensure the integrity of our systems, it is possible that we may not be able to anticipate or to implement effective preventive measures against all security breaches of these types, especially because the techniques used change frequently or are not recognized until launched, and because cyber-attacks can originate from a wide variety of sources, including third parties outside the Company such as persons who are involved with organized crime or associated with external service providers or who may be linked to terrorist organizations or hostile foreign governments.

A successful penetration or circumvention of the security of our systems could cause serious negative consequences, including significant disruption of our operations, misappropriation of our confidential information or that of our customers, or damage to our computers or systems or those of our customers and counterparties, and could result in violations of applicable privacy and other laws, financial loss to us or to our customers, loss of confidence in our security measures, customer dissatisfaction, significant litigation exposure, and affect to our reputation, all of which could have a material adverse effect on us.

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

18. Our insurance coverage may not adequately protect us against losses.

We keep insurance coverage that we believe is sufficient for our activities. Our insurance policies, on the other hand, may not provide appropriate coverage in some situations and are subject to deductibles, exclusions, and policy limits. We cannot, however, guarantee that the terms of our insurance policies will be adequate to cover any damage or loss we incur, that such coverage will continue to be available on reasonable terms or in sufficient amounts to cover one or more large claims, or that the insurer will not deny coverage for any future claim.

19. Our inability to completely and timely detect money laundering and other illicit actions may expose us to extra responsibility and affect our business and reputation.

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

20. Our trademarks used by us are currently not registered in the name of our Company. Failure to protect our intellectual property rights may adversely affect our competitive business position, financial condition and profitability.

Our name and logo are not registered under the provisions of Trademark Act, 1999 and therefore may be subject to counterfeiting or imitation which would adversely impact our reputation and lead to loss of customer confidence, reduced sales and higher administrative costs. Thus, we cannot guarantee that the application for registration of some of our trademarks made by us will be allowed. In case we are unable to obtain the registration for the said trademarks in our name, we may suffer reputation loss, loss of customers etc. as we do not enjoy any statutory protection under the Trade Marks Act, 1999 which is important to retain our brand image. Further even if our name and logo are registered, we cannot assure that third parties will not infringe on our intellectual property, thereby causing damage to our business prospects, reputation and goodwill.

21. In the past, there have been instances of delayed or non- filing of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 1956 and Companies Act, 2013 to RoC by our Company.

In the past, there have been certain instances of delay in filing of statutory forms as per the reporting requirements under the Companies Act, 1956 and Companies Act, 2013 with the RoC, which have been subsequently filed by payment of an additional fee as specified by RoC by our Company. Further, there have been instances of non-filings of statutory forms with RoC as per the reporting requirements laid down under the Companies Act 1956 and Companies Act, 2013 by our Company, for instance, while our Company has repaid the loans which were availed from The Vysya Bank Limited, State Bank of India and Bank of Maharashtra, however it failed to file the statutory form, Form 17 with the RoC for satisfaction of the charge, consequent to which the loans availed from the aforementioned banks are still reflecting under the index of charges maintained by the RoC. No show cause notice in respect to the above has been received by our Company till date. The occurrence of instances of delayed or erroneous filings in future may impact our results of operations and financial position.

22. If we are unable to maintain and enhance the 'Enbee' brand equity, the sales of our services may suffer

which would have a material adverse effect on our financial condition and results of operations

The brand we have developed, has over the years, significantly contributed to the success of our business. We also believe that maintaining and enhancing the 'Enbee' brand, is critical to maintaining and expanding our client base. Maintaining and enhancing our 'Enbee' brand may require us to make substantial investments in various areas, such as development, marketing and brand building activities, and these investments may not be successful. Further, in the event that we are not able to maintain the quality of our service or our goodwill is affected for any reason, our business and results of operations may be adversely affected. There can be no assurance that consumers will continue to be receptive to our brand.

In particular, as we expand into new market segments, there can be no assurance that consumers in these market segments will accept our brand. Further, our brand may also be adversely affected if our public image or reputation is tarnished by any negative publicity. Maintaining and enhancing our brand will depend largely on our ability to anticipate, gauge and respond in a timely manner to changing trends and consumer demands and preferences, and to continue to provide high quality services, which we may not do successfully. If we are unable to maintain or enhance our brand image, our results of operations and our business may be affected.

23. Our results of operations are likely to vary from year to year and be unpredictable, which could cause the market price of the Equity Shares to be volatile.

Our results of operations in any given year can be influenced by a number of factors, many of which are outside of our control and may be difficult to predict, including:

a. our ability to acquire and retain clients for our services;
b. maintaining high levels of customer satisfaction;
c. costs relating to our operations;
d. adhering to our high quality and process execution standards;
e. pricing/interest rate policies introduced by our competitors;
f. the timing and nature of, and expenses incurred in, our marketing efforts;
g. recruiting, training, and retaining sufficient skilled technical and management personnel; and
h. developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, and other internal systems.

All of these factors, in combination or alone could negatively impact our revenues and may cause significant fluctuations in our results of operations. This variability and unpredictability could materially and adversely affect our results of operations and financial condition.

24. We have experienced negative cash flows in relation to our operating activities and investment activities in recent years/periods. Any negative cash flows in the future could adversely affect our results of operations and financial condition.

We have experienced negative cash flows from operations in the recent past. Our cash flow for FY 2019-20, FY 2020-21 and FY 2021-22, are set forth in the table below:

(in ₹ lakhs)

Particulars	**For the year ended March 31**		
	2021-22	**2020-21**	**2019-20**
Net cash used in operating activities	(1,202.08)	1.74	11.95
Net cash used in investing activities	(0.01)	(0.02)	(12.69)
Net cash from financing activities	1,085.30	0.00	0.00

Any negative cash flows in the future could adversely affect our results of operations and financial condition.

For further details, *see "Management's Discussion and Analysis of our Financial Condition and Results of Operations"* on page 110.

25. We do not own our Registered Office. Disruption of our rights as licensee/ lessee or termination of the agreement with our licensors/ lessors would adversely impact our business.

The Registered Office of our Company is taken on lease for a fixed tenure from our Promoter. The lease is renewable on mutually agreed terms. Upon termination of the lease, we are required to return the said

business premises to the Lessor/Licensor, unless renewed. There can be no assurance that the term of the agreements will be renewed and in the event the Lessor/Licensor terminates or does not renew the agreements on commercially acceptable terms, or at all, and we are required to vacate our offices, we may be required to identify alternative premises and enter into fresh lease or leave and license agreement. We may have to find new premises which may lead to higher costs. However, since the registered office premises are owned by our promoter/promoter group, we do not foresee any problem in renewal.

26. Our Promoters, Directors and Key Managerial Personnel have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.

Our Promoters, Directors and Key Managerial Personnel, may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Our Promoters, Directors and Key Managerial Personnel may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. For further details, please see the section titled "*Financial Information"* at page 68 of this Letter of Offer.

There can be no assurance that our Promoters, Directors, Key Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters and members of our Promoter Group will continue to exercise significant control over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Directors and our Key Management Personnel may take or block actions with respect to our business, which may conflict with the best interests of our Company or that of minority shareholders.

27. Our Promoters and members of the Promoter Group have significant control over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.

After the completion of the Issue, our Promoters and the members of the Promoter Group will hold approximately 50.70% of the paid-up equity share capital of our Company assuming full subscription to the Rights Entitlement in the Issue. Our Promoters and the members of the Promoter Group holding Equity Shares in our Company, have undertaken to fully subscribe for their Rights Entitlement. They reserve the right to subscribe for their Rights Entitlement pursuant to any renunciation made by any member of the Promoter Group to another member of the Promoter Group. Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding above their current percentage shareholding. So long as the Promoters have a majority holding, they will be able to elect the entire Board and control most matters affecting us, including the appointment and removal of the officers of our Company, our business strategy and policies and financing. Further, the extent of the Promoters' shareholding in our Company may result in the delay or prevention of a change of management or control of our Company, even if such a transaction may be beneficial to the other shareholders of our Company.

28. Our Promoter is not the original promoter of our Company and has acquired control of our Company on in 2016, therefore we cannot trace certain historical records of our Company.

Our Promoter is not the original Promoter of the Company and has acquired control of our Company in the year 2016. In view of the change in management, we are unable to access certain historical records of the Company, such as prospectus issued during the initial public offer of the Company. Accordingly, we have relied on other documents, including annual returns, directors' report, the statutory register of members of the Company, minutes of the meetings of the Board of Directors and Shareholders. We cannot assure you that on account of any of the missing records, we will not be subject to any penalties imposed by the relevant regulatory authority in this respect.

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

As of December 31, 2022, March 31, 2022, March 31, 2021, we have entered into several related party transactions with our Promoters, individuals and entities forming a part of our promoter group relating to

our operations. In addition, we have in the past also entered into transactions with other related parties. For further details, please see the section titled "*Financial Information"* at page 68 of this Letter of Offer.

While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

30. Our Company has taken certain unsecured loans from our Promoter and members of our Promoter Group, which may be recalled at any time.

As on January 31, 2023, our Company has outstanding unsecured loans aggregating to ₹ 2,490 lakhs, which have been extended by our Promoter and members forming part of our Promoter Group and may be recalled by them at any time. In the event, any of such lenders seek a repayment of any these loans, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to arrange for any such financing arrangements, we may not have adequate working capital to undertake new projects or complete our ongoing projects. Therefore, any such demand may adversely affect our business, financial condition and results of operations.

31. Our future fund requirements, in the form of further issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the Shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

32. Our success largely depends upon the knowledge and experience of our Promoters, Directors and our Key Managerial Personnel. Loss of any of our Directors and key managerial personnel or our ability to attract and retain them could adversely affect our business, operations and financial condition.

The growth and success of our Company's future significantly depends upon the experience and continued services and the management skills of our Key Managerial Personnel and the guidance of our Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. We believe the expertise, experience and continued efforts of our Key Managerial Personnel and their inputs are valuable to for the operations of our Company. Our future success and growth depend largely on our ability to attract, motivate and retain the continued service of our highly skilled management personnel. Our Company has never been faced with a challenge of high rate of attrition of our Key Management Personnel in the past, however, any attrition of our experienced Key Managerial Personnel, would adversely impact our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a sufficient number of personnel with the requisite skills to replace those Key Managerial Personnel who leave. In the event we are unable to motivate and retain our key managerial personnel and thereby lose the services of our highly skilled Key Managerial Personnel may adversely affect the operations, financial condition and profitability of our Company and thereby hampering and adversely affecting our ability to expand our business. For further details on our Directors and Key Managerial Personnel, please refer to the chapter titled — "*Our Management and Organisational Structure*" on page 66 of this Letter of Offer.

33. Our Company has been unable to make payment towards certain statutory dues for more than six months and therefore our Statutory Auditor has included an emphasis of matter in the CARO report for the Financial Year ended March 31, 2022.

Our Statutory Auditor has included the following Emphasis of Matter in the CARO report for the Financial Year ended March 31, 2022:

"*In respect of Company's Statutory Dues:*

According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities except for following:

As on balance sheet date, the company has not paid following statutory dues for more than 6 months:

Particulars	***Amount (in ₹)***
TDS	*17,01,600*

The statutory due outstanding as at December 31, 2022 were ₹ 86.49 lakhs of which ₹ 32.85 lakhs is outstanding for more than six months. The details of such statutory dues have been provided below:

(₹ in lakhs)

Particulars	**Outstanding amount as at December 31, 2022**	**Outstanding amount for more than six months as at December 31, 2022**
Income Tax	45.98	25.80
Profession tax	0.36	0.20
TDS	40.15	6.86
Total	**86.49**	**32.86**

Although no show cause notice in respect to the above has been received by our Company till date and no penalty or fine has been imposed by any regulatory authority, it cannot be assured that there will not be such instances in the future or that our Company will not commit any further delays or defaults in relation to the applicable regulatory requirements, or that any penalty or fine will not be imposed by any regulatory authority in respect to the same.

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

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. Our business is working capital intensive and we are required to obtain consents from certain of our lenders prior to the declaration of dividend as per the terms of the agreements executed with them. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the past, and there can be no assurance that our Company will declare dividends in the future.

35. The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled "Objects of the Issue".

As the issue size is not more than ₹10,000 lakhs, under Regulation 82 of the SEBI ICDR Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilisation of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilisation of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoters shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same. For further details, please refer to the chapter titled — "*Objects of the Issue*" on page 48 of this Letter of Offer.

36. As the securities of our Company are listed on BSE Limited, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.

The Equity Shares of our Company are listed on BSE, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations, as well as requirements under the Companies Act for a listed Company. During the preceding one year from the date of filing of this Letter of Offer, there have been no defaults in complying with the applicable provisions of SEBI Listing Regulations and accordingly, our Company has filed this Letter of Offer under Part B of Schedule VI of SEBI ICDR Regulations.

Our Company endeavours to comply with all applicable obligations/reporting requirements, however, upon occurrence of any future instances of non-disclosures/delayed/erroneous disclosures and/or any other violations by us, our Company may be exposed to imposition of penalties, warnings and show cause notices being against us by SEBI and Stock Exchanges. For instance, BSE Limited has imposed fine on our Company in the past on account of non-compliance of certain provisions of the SEBI Listing Regulations, for further details, refer to – "*Outstanding Litigations and Defaults - Proceedings involving material violations of statutory regulations by our Company*" on page 120. Any future adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

37. We have not commissioned an industry report for the disclosures made in the chapter titled "Industry Overview" and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.

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

ISSUE SPECIFIC RISKS

38. We will not distribute the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter to overseas Shareholders who have not provided an address in India for service of documents.

In accordance with the SEBI ICDR Regulations and SEBI Rights Issue Circular our Company will send, only through email, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material to the email addresses of all the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares permitted under laws of such jurisdictions and in each case who make a request in this regard. The Issue Materials will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in overseas jurisdictions. However, the Companies Act, 2013 requires companies to serve documents at any address which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act, 2013 and the rules made thereunder with respect to distribution of Issue Materials in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdictions. While we have requested all the shareholders to provide an address in India for the purposes of distribution of Issue Materials, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act, 2013 and may subject us to fines or penalties.

39. SEBI has recently, by way of circular dated January 22, 2020, streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars, and in this Letter of Offer.

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circular dated January 22, 2020 and ensure

completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see "*Terms of the Issue*" on page 128 of this Letter of Offer.

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

40. The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form ("Physical Shareholder") may lapse in case they fail to furnish the details of their demat account to the Registrar.

In accordance with the circular SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse. For details, please refer chapter *"Terms of the Issue"* on page 128 of this Letter of Offer.

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

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements. For details, see "*Terms of the Issue*" on page 128 of this Letter of Offer..

42. Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

43. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchanges on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares.

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

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

45. Investors will be subject to market risks until the Equity Shares credited to the investors demat account are listed and permitted to trade.

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchange, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in the Equity Shares will commence in a timely manner.

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

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

47. The trading price of our Equity Shares may be subject to volatility and you may not be able to sell your Equity Shares at or above the Issue Price.

The trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, changes

in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets in general experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could adversely affect the price of our Equity Shares.

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

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

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

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchange. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may adversely affect the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

50. Investors will not have the option of getting the allotment of Equity Shares in physical form.

In accordance with the SEBI ICDR Regulations, the Equity Shares shall be issued only in dematerialized form. Investors will not have the option of getting the allotment of Equity Shares in physical form. The Equity Shares Allotted to the Applicants who do not have demat accounts or who have not specified their demat details, will be kept in abeyance till receipt of the details of the demat account of such Applicants. For details, see *"Terms of the Issue"* on page 128 of this Letter of Offer. This may impact the ability of our shareholders to receive the Equity Shares in the Issue.

51. There is no guarantee that our Equity Shares will be listed, or continue to be listed, on the Indian stock exchanges in a timely manner, or at all, and prospective investors will not be able to immediately sell their Equity Shares on the Stock Exchange.

In accordance with Indian law and practice, final approval for listing and trading of our Equity Shares will not be applied for or granted until after our Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorizing the issuance of our Equity Shares. Accordingly, there could be a failure or delay in listing our Equity Shares on the Stock Exchange, which would adversely affect your ability to sell our Equity Shares.

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

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

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

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

EXTERNAL RISK FACTORS

54. Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which investors may be more familiar with and consider material to their assessment of our financial condition.

Our summary statements of assets and liabilities and summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity, as per the Financial Statements, have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Ind AS Rules, the SEBI Circular and the Prospectus Guidance Note.

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

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

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

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

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

Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation

policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

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

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

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

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- variations in exchange rates;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- prevailing regional or global economic conditions; and
- other significant regulatory or economic developments in or affecting India

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

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

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

The Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards ("**ICDS**"), thereby creating a new framework for the computation of taxable income. The ICDS became applicable from the assessment year for Fiscal 2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

- the General Anti Avoidance Rules **("GAAR")** have been made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.

- a comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure, which came into effect from July 1, 2017. We cannot provide any assurance as to any aspect of the tax regime following implementation of the GST. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

Any increase in taxes and levies, or the imposition of new taxes and levies in the future, could increase the cost of production and operating expenses. Taxes and other levies imposed by the central or state governments in India that affect our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability.

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

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.
The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.

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

These could include further falls in Stock Exchange's indices and greater volatility of markets in general due to the increased uncertainty. These and other related events could have a significant impact on the global credit and financial markets as a whole, and could result in reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the global credit and financial markets. There are also concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance and the trading price of the Equity Shares.

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

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

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

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

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

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

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

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

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

62. 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 environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations that could affect the insurance industry, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the GoI and other regulatory bodies, or impose onerous requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. Accordingly, any adverse regulatory change in this regard could lead to fluctuation of price points of various input costs and thereby increase our operational cost.

Changes in other laws may impose additional requirements, resulting in additional expenditure and time cost. For instance, the GoI has announced four labour codes which are yet to come into force as on the date

of this Letter of Offer, namely, (i) the Code on Wages, 2019, (ii) the Industrial Relations Code, 2020; (iii) the Code on Social Security, 2020; and (iv) the Occupational Safety, Health and Working Conditions Code, 2020. Such codes will replace the existing legal framework governing rights of workers and labour relations. While the rules for implementation under these codes have not been announced, we are unable 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. For example, the Social Security Code aims to provide uniformity in providing social security benefits to employees which were previously segregated under different acts and had different applicability and coverage. The Social Security Code has introduced the concept of workers outside traditional employer-employee work-arrangements, such as "gig workers" and "platform workers" and provides for the mandatory registration of such workers in order to enable these workers to avail themselves of various employment benefits, such as life and disability cover, health and maternity benefits and old age protection, under schemes framed under the Social Security Code from time to time. Any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

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

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. 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.

64. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares.

The recent outbreak of Novel Coronavirus has significantly affected financial markets around the world. Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

SECTION III – INTRODUCTION

THE ISSUE

This Issue has been authorized through a resolution passed by our Board on January 12, 2023 read with resolution passed by our Board on December 24, 2021 and the resolution passed in the meeting of the Rights Issue Committee held on May 4, 2023, pursuant to Section 62(1)(a) of the Companies Act and other applicable provision. The following is a summary of this Issue, and should be read in conjunction with and is qualified entirely by, the information detailed in the chapter titled "*Terms of the Issue*" on page 128 of this Letter of Offer.

Particulars	Details of Equity Shares
Equity Shares proposed to be issued	Upto 3,20,01,000* Equity Shares
Rights Entitlement	Upto twenty (20) Rights Equity Shares for every one (01) fully paid-up Equity Share held on the Record Date i.e. Wednesday, May 10, 2023
Fractional Entitlement	Since the Right Entitlement Ratio is twenty (20) Rights Equity Shares for every one (01) fully paid-up Equity Share held, there will not be any fractional entitlement in the Issue.
Record Date	Wednesday, May 10, 2023
Face value per Equity Shares	₹ 10/-
Issue Price per Rights Equity Shares	₹ 15/-per fully paid-up Equity Share (including a premium of ₹ 5/- per Equity Share)
Issue Size	Upto 3,20,01,000* Equity Shares of face value of ₹ 10 each for cash at a price of ₹ 15 (Including a premium of ₹ 5) per Rights Equity Share not exceeding an amount of ₹ 4,800.15 lakhs*.
Voting Rights and Dividend	The Equity Shares issued pursuant to this Issue shall rank *pari passu* in all respects with the Equity Shares of our Company.
Equity Shares issued, subscribed and paid up prior to the Issue	16,00,050 Equity Shares
Equity Shares subscribed and paid-up after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	Upto 3,36,01,050* Equity Shares
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	3,36,01,050
Money payable at the time of Application	₹ 15/-
Scrip Details	**ISIN for Equity Shares:** INE993I01011 **BSE:** 512441 **Rights Entitlement ISIN:** INE993I20011
Use of Issue Proceeds	For details please refer to the chapter titled "*Objects of the Issue*" on page 48 of this Letter of Offer.
Terms of the Issue	For details please refer to the chapter titled "*Terms of the Issue*" on page 128 of this Letter of Offer.

**Assuming full subscription and subject to finalization of Basis of Allotment.*

Please refer to the chapter titled "*Terms of the Issue*" on page 128 of this Letter of Offer.

Issue Schedule

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

Event	Indicative Date
Issue Opening Date	Thursday, May 18, 2023
Last Date for On Market Renunciation of Rights**	Friday, May 26, 2023
Issue Closing Date*	Thursday, June 1, 2023

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

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

GENERAL INFORMATION

Our Company was incorporated as '*Enbee Trade & Finance Limited*' on July 24, 1985 as a public limited company under the Companies Act, 1956 with the Registrar of Companies, Maharashtra and consequently a certificate of commencement of business dated August 6, 1985 was issued to our Company. The corporate identification number of our Company is L50100MH1985PLC036945.

Registered Office of our Company

Enbee Trade & Finance Limited
B4 /C5, Gods Gift Chs Ltd,
N M Joshi Marg, Lower Parel,
Mumbai – 400 013, Maharashtra, India
Telephone: +91 22 7969 2512
Facsimile: NA
E-mail: enbeetrade@gmail.com
Website: www.enbeetrade.com
Registration Number: 036945
CIN: L50100MH1985PLC036945

Registrar of Companies

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

Registrar of Companies,
100, Everest,
Marine Drive
Mumbai 400 002,
Maharashtra, India
Telephone: +91 22 2281 2627/2202 0295/2284 6954
Facsimile: +91 22 2281 1977
E-mail: roc.mumbai@mca.gov.in

Chief Financial Officer

Meyhul Narendra Gaala, is the Chief Financial Officer of our Company. His contact details are set forth hereunder.

B4 /C5, God's Gift Chs Ltd,
N M Joshi Marg, Lower Parel,
Mumbai – 400 013, Maharashtra, India
Telephone: +91 22 7969 2512
E-mail: enbeetrade@gmail.com

Company Secretary and Compliance Officer

Ruchika Kabra, Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder.

B4 /C5, God's Gift Chs Ltd,
N M Joshi Marg, Lower Parel,
Mumbai – 400 013, Maharashtra, India
Telephone: +91 22 7969 2512
E-mail: enbeetrade@gmail.com

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

Lead Manager to the Issue

Saffron Capital Advisors Private Limited
605, Center Point, 6th floor,
Andheri Kurla Road, J. B. Nagar,
Andheri (East), Mumbai - 400 059,
Maharashtra, India.
Telephone: +91 22 49730394
Facsimile: NA
E-mail: rights.issue@saffronadvisor.com
Website: www.saffronadvisor.com
Investor grievance: investorgrievance@saffronadvisor.com
Contact Person: Elton D'souza / Pooja Jain
SEBI Registration Number: INM000011211

Registrar to the Issue

Cameo Corporate Services Limited
Subramanian Building, No. 01,
Club House Road, Chennai- 600 002,
Tamil Nadu, India.
Telephone: +91 44 4002 0700
Facsimile: N.A.
E-mail: priya@cameoindia.com
Website: www.cameoindia.com
Investor Grievance e-mail: investor@cameoindia.com
Contact Person: K. Sreepriya
SEBI Registration No.: INR000003753

Legal Advisor to the Issue

T&S Law
Door Number 1202, Devika Towers,
Ghaziabad – 201 017,
Uttar Pradesh, India
Telephone: +91 959 970 0476
Email: info@tandslaw.in

Statutory and Peer Review Auditor of our Company

Ambavat Jain & Associates LLP
Chartered Accountants
5, Ground Floor, Onlooker Building,
14, Sir P.M., Road, Fort, Mumbai – 400 001,
Maharashtra, India.
Telephone: +91 98 9206 8533
Email: info@ajallp.in
Contact Person: Chirag Shah
Membership No.: 125997
Firm Registration No.: 109681W
Peer Review Certificate No.: 013217

Bankers to the Issue/ Refund Bank

ICICI Bank Limited
Capital Market Division,
5th Floor, HT Parekh Marg,
Churchgate; Mumbai- 400 020,
Maharashtra, India.
Telephone: +91 226 805 2182

Email: sagar.welekar@icicibank.com/ipocmg@icicibank.com
Contact Person: Sagar Welekar
Website: www.icicibank.com
SEBI Registration No.: INBI00000004

Designated Intermediaries

Self-Certified Syndicate Banks

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

Inter-se Allocation of Responsibilities

Saffron Capital Advisors Private Limited being the sole Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence a statement of inter se allocation of responsibilities is not required.

Credit Rating

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

Debenture Trustees

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

Monitoring Agency

As the net proceeds of the Issue shall not exceed ₹10,000 lakhs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

Appraising Entity

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

Underwriting Agreement

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

Expert Opinion

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

Our Company has received written consent dated February 28, 2023 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Letter of Offer as an "expert" as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) report dated May 30, 2022 on our Audited Financial Statements for the financial year ended March 31, 2022; (ii) limited review report dated February 7, 2023 on the unaudited financial results for the nine month period ended December 31, 2022; and (iii) statement of tax benefits dated February 28, 2023 in this Letter of Offer and such consent has not been withdrawn as on the date of this Letter of Offer.

Investor grievances

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

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

Filing

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

Issue Schedule

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

Event	Indicative Date
Issue Opening Date	Thursday, May 18, 2023
Last Date for On Market Renunciation of Rights**	Friday, May 26, 2023
Issue Closing Date*	Thursday, June 1, 2023

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

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

Minimum Subscription

The objects of the Issue involve financing other than financing of capital expenditure for a project and our Promoters and members of our Promoter Group have undertaken to (i) subscribe to the full extent of their respective Rights Entitlements, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR; and (ii) have also confirmed that they shall not renounce their Rights Entitlements, except to the extent of renunciation within the promoter group. Accordingly, in terms of the SEBI ICDR Regulations, the requirement of minimum subscription in the Issue is not applicable.

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Letter of Offer and the details of the Equity Shares proposed to be issued in the Issue, and the issued, subscribed and paid up share capital after the issue are set forth below:

S. No.	Particulars	Amount (in ₹ Lakhs, except share data)	
		Aggregate value at nominal value	Aggregate value at Issue Price
A.	**Authorised Share Capital**		
	3,40,00,000 Equity Shares of face value of ₹ 10 each	3,400.00	
B.	**Issued, Subscribed and Paid-Up Share Capital before the Issue**		
	16,00,050 Equity Shares of face value of ₹ 10 each	160.00	
C.	**Present Issue in terms of this Letter of Offer[(1)]**		
	Up to 3,20,01,000* Equity Shares of face value of ₹ 10 each	3,200.10*	4,800.15*
D.	**Issued, Subscribed and Paid-Up Share Capital after the Issue**		
	3,36,01,050* Equity Shares of face value of ₹ 10 each	3,360.10*	
E.	**Securities Premium Account**		
	Before the Issue	542.02	
	After the Issue	2,142.07*	

[(1)]The present Issue has been authorised vide a resolution passed at the meeting of the Board of Directors dated January 12, 2023 read with resolution passed by the Board of Directors on December 24, 2021 and the resolution passed in the meeting of the Rights Issue Committee held on May 4, 2023, pursuant to section 62(1)(a) and other applicable provisions of the Companies Act, 2013.
**Assuming full subscription. Subject to finalisation of the Basis of Allotment.*

NOTES TO CAPITAL STRUCTURE

1. Details of outstanding instruments

As on date of this Letter of Offer, our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme. Further, it has not issued any convertible securities which are outstanding as of date of this Letter of Offer.

2. Intention and extent of participation by our Promoters and Promoter Group in the Issue:

Amarr Narendra Galla, the Promoter of our Company, and members of our Promoter Group have, *vide* his letters dated February 24, 2023 (the "**Subscription Letters**") undertaken to: (a) subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoters or member(s) of the Promoter Group of our Company; and (b) subscribe to, either individually or jointly and/ or severally with any other Promoters or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue.

The additional subscription by the promoter and promoter group shall be made subject to such additional subscription not resulting in the minimum public shareholding of the issuer falling below the level prescribed in LODR/ SCRR. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

3. Shareholding pattern of our Company as per the last quarterly filing with the Stock Exchange in compliance with the SEBI Listing Regulations

i. The shareholding pattern of our Company as on March 31, 2023, can be accessed on the website of the BSE at: https://www.bseindia.com/stock-share-price/enbee-trade--finance-ltd/enbetrd/512441/shareholding-pattern/

ii. Statement showing shareholding pattern of the Promoters and Promoter Group including details of lock-in, pledge of and encumbrance thereon, as on March 31, 2023 can be accessed on the website of the BSE at: https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=512441&qtrid=117.00&QtrName=March%202023

iii. Statement showing holding of Equity Shares of persons belonging to the category "Public" including shareholders holding more than 1% of the total number of Equity Shares as on March 31, 2023 can be accessed on the website of the BSE at https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=512441&qtrid=117.00&QtrName=March%202023

4. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the Takeover Regulations is ₹ 15.82/- per equity share.

5. Details of shares locked-in, pledged, encumbrance by promoters and promoter group:

As on date of this Letter of Offer, none of the Equity Shares held by our Promoters or the members of our Promoter Group are pledged or otherwise encumbered.

6. Details of specified securities acquired by the promoter and promoter group in the last one year immediately preceding the date of filing of the Letter of Offer:

Our Promoters and members of Promoter Group have not acquired any Equity Shares in the last one year immediately preceding the date of filing of the Letter of Offer.

7. Details of the shareholders holding more than 1% of the issued and paid-up Equity Share capital as last disclosed to the stock exchanges

The details of shareholders of our Company holding more than 1% of the issued and paid -up Equity Share capital of our Company, as on March 31, 2023 are available at https://www.bseindia.com/stock-share-price/enbee-trade--finance-ltd/enbetrd/512441/shareholding-pattern/

8. At any given time, there shall be only one denomination of the Equity Shares of our Company.

9. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Letter of Offer. Further, the Equity Shares allotted pursuant to the Issue, shall be fully paid up.

OBJECTS OF THE ISSUE

The objects of the Issue are:

1. Repayment of unsecured loans availed by our Company from Promoter and Promoter Group of our Company; and
2. Augmentation of Capital Base of our Company;

(collectively, referred to hereinafter as the "**Objects**")

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

The objects set out in the Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

Details of objects of the Issue

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

(₹ in lakhs)

Particulars	Amount
Gross Proceeds from the Issue*	4,800.15
Less: Issue related expenses	100.15
Net Proceeds from the Issue	**4,700.00**

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

Requirement of Funds and Utilisation of Net Proceeds

We intend to utilize the Net Proceeds as set forth in the following table:

(₹ in lakhs)

Particulars	Amount
Repayment of unsecured loans availed by our Company from Promoter and Promoter Group of our Company	2,490.00
Augmentation of Capital Base	2,210.00
Issue related expenses	100.15
Gross proceeds from the Issue*	**4,800.15**

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

Means of Finance

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

Schedule of Implementation and Deployment of Funds

Our Company proposes to deploy the entire Net Proceeds towards the Objects as described herein during Fiscal 2024.

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

Details of the Objects of the Issue

1. ***Repayment of unsecured loans availed by our Company from Promoter and Promoter Group of our Company***

Our Company has availed unsecured loans from Promoter and Promoter Group of our Company. These unsecured loans were raised by our Company for the purpose of the business of the Company. Our Company intends to utilize ₹ 2,490 lakhs of the Net Proceeds towards repayment of the unsecured loans. The unsecured loans are repayable within 7 (seven) days of our Promoter and Promoter Group providing a written notice of demand to the Company. The following table provides details along with the terms on which the unsecured loans have been availed by our Company, as on January 31, 2023, which are proposed to be repaid from the Net Proceeds:-

Sr. No.	*Name of the Promoter/Promoter Group*	*Outstanding unsecured loans as on January 31, 2023 (in ₹ lakhs)**	*Purpose of availing unsecured loans*	*Interest rate (%) p.a.*	*Proposed repayment from Net Proceeds (₹ in lakhs)*
1.	Amarr Narendra Galla	900	Business Activities	9%	900
2.	Amar Narendra Gala HUF	20	Business Activities	9%	20
3.	Bharat Thakarshi Mamania	25	Business Activities	9%	25
4.	Bharat Thakarshi Mamania HUF	20	Business Activities	9%	20
5.	Bharathi Narendra Gala	350	Business Activities	9%	350
6.	Narendra Bhavanji Gala HUF	30	Business Activities	9%	30
7.	Mehul Narendra Gala HUF	20	Business Activities	9%	20
8.	Meyhul Narendra Gaala	150	Business Activities	9%	150
9.	Neel Bharat Mamania	75	Business Activities	9%	75
10.	Neha Mehul Gala	150	Business Activities	9%	150
11.	Rekha Bharat Mamania	75	Business Activities	9%	75
12.	Samta Amar Gala	675	Business Activities	9%	675
	Total	**2,490**			**2,490**

**Our Statutory auditors have provided a certificate dated February 28, 2023 confirmed the amount outstanding as Unsecured Loan as on January 31, 2023.*

Given the nature of these borrowing facilities and the terms of repayment, the aggregate outstanding unsecured loan amounts may vary from time to time. In addition to the above, we may, from time to time, enter into further financing arrangements to avail unsecured loans. In such cases or in case any of the above unsecured loans are paid or further unsecured loans have been availed prior to the completion of the Issue, we may utilise Net Proceeds of the Issue towards repayment of such additional unsecured loans.

Interest of Promoters and Directors in the objects of the Issue

Our Promoter and Promoter Group has confirmed that an amount of ₹ 2,490 lakhs, which has been availed by our Company, in the nature of identified unsecured loans as per the details mentioned in the above table, is proposed to be adjusted towards the application money to be received by the Company, for the subscription to the Rights Equity Shares to be allotted in this Issue, from our Promoter and Promoter Group, to the extent of their entitlement, renunciation of entitlement in favor of the members of Promoter Group (if any) in the Issue and additional subscribed by them in the Rights Issue. Consequently, no fresh issue proceeds would be received by our Company to such an extent.

2. ***Augmentation of Capital Base:***

We are a Non Deposit taking Non-Banking Financial Company (NBFC-ND) registered with RBI. On April 20, 1998 our Company secured the registration as a Non Deposit accepting Non- Banking Financial Company with RBI bearing Registration Number: 13.00691. We are involved in the business of lending unsecured loans to body corporates and individuals. As on December 31, 2022 we have provided loans worth ₹ 3,409.00 lakhs to various body corporates and individuals.

Our Company proposes to utilise ₹ 2,210.00 lakhs from the Net Proceeds towards augmentation of capital base to meet our future capital requirements, which are expected to arise out of growth of our business and assets, including but not limited to expansion of the financing business and/or to provide for funding of fresh loans to our customers.

Issue related expenses

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

Particulars	Amount (₹ In Lakhs)*	As a percentage of total expenses*	As a percentage of Issue size*
Fees of the Lead Managers, Bankers to the Issue, Registrar to the Issue, Legal Advisor, Auditor's fees, including out of pocket expenses etc.	50.15	50.08%	1.04%
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	5	4.99%	0.10%
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	45	44.93%	0.94%
Total estimated Issue expenses*	**100.15**	**100.00%**	**2.08%**

**Our Statutory Auditor has provided a certificate dated May 4, 2023 confirming the amount of the Issue expenses to be incurred by our Company.*

Interim use of funds

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

Appraisal and Bridge Financing Facilities

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

Monitoring of utilization of funds

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

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

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

Strategic or Financial Partners

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

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoter and Promoter Group, Directors, Associates or Key Managerial Personnel of our Company, except for the part of the Net Proceeds that will be utilized towards the repayment of unsecured loans availed by our Company from Promoter and Promoter Group of our Company and payments made in the ordinary course of business. There are no material existing or anticipated transactions.

STATEMENT OF TAX BENEFITS

Statement of possible special tax benefits available to the Company and its Shareholders

To
The Board of Directors
Enbee Trade & Finance Limited
B4/B5, Gods Gift CHS Ltd,N.M. Joshi Marg, Lower Parel,
Mumbai, Maharashtra, 400 013
(the "**Company**")

And

Saffron Capital Advisors Private Limited
605, Center Point, Sixth Floor,
Andheri – Kurla Road, J.B. Nagar
Andheri (East), Mumbai – 400 059
(Saffron Capital Advisors Private Limited referred to as the "**Lead Manager**")

Dear Sirs,

Re: Proposed rights issue of equity shares of Rs. 10 each (the "Equity Shares") of Enbee Trade & Finance Limited (the "Company" and such offering, the "Issue").

We report that, the enclosed statement in the Annexure, there is no special tax benefits under direct tax laws i.e. Income tax Rules, 1962 including amendments made by the Finance Act, 2023 (hereinafter referred to as "Income Tax Laws"), and indirect tax laws i.e. the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations, circulars and notifications issued there under, Foreign Trade Policy presently in force in India, under the respective tax laws of their country as on the signing date, for inclusion in the Draft Letter of Offer and Letter of Offer for the proposed rights issue of the Company to the existing shareholders which are available to the Company and its shareholders.

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.

The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company, and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

Further, the preparation of the enclosed Statement and its contents was the responsibility of the management of the Company. We were 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 individual nature of the tax consequences and 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 Issue.

We have conducted our examination in accordance with the '*Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)*' and *'Guidance Note on the Reports in Company Prospectuses (revised 2019)'* ('**the Guidance Notes**') issued by the Institute of Chartered Accountants of India ('**ICAI**'). The Guidance Notes require that we comply with ethical requirements of the *Code of Ethics* issued by the ICAI.

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

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

- the Company or the shareholders of the Company will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits ,where applicable, have been / would be met with.

The contents of the enclosed Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views expressed herein are based on the facts and assumptions indicated to us. 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 change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

This statement is solely for your information and not intended for general circulation or publication and is not to be reproduced or used for any other purpose without our prior written consent, other than for inclusion of extracts of this statement in the Draft Letter of Offer and Letter of Offer and submission of this statement to the Securities and Exchange Board of India, the stock exchanges where the Equity Shares of the Company are proposed to be listed, in connection with the proposed Issue, as the case may be.

Yours faithfully,
For and on behalf of
Ambavat Jain & Associates LLP.
Firm Registration No. FRN 109681W

Chirag Shah
Partner
Membership No.: 125997
Place: Mumbai
Date: 28th February 2023
UDINo.: 23125997BGZALA7749

Encl.: aa
CC:

T&S Law
Door Number 1202, Devika Towers, Ghaziabad – 201 017,
Uttar Pradesh, India (Referred to as the **Legal Counsel")**

ANNEXURE 1

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO ENBEE TRADE & FINANCE LIMITED (THE "COMPANY") AND IT'S SHAREHOLDERS

I. UNDER THE INCOME-TAX ACT, 1961 (hereinafter referred to as the "Act")

a) Special tax benefits available to the Company under the Act

N.A.

b) Special tax benefits available to the shareholders under the Act

N.A.

Notes:

a) The above Statement sets out the provisions of law 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.

b) The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

c) The above statement of special tax benefits is as per the current direct tax laws relevant for the assessment year 2022-23.

d) This statement is intended only 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 tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

e) In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.

f) 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.

ANNEXURE 2

STATEMENT OF INDIRECT TAX BENEFITS AVAILABLE TO ENBEE TRADE & FINANCE LIMITED (THE "COMPANY") AND IT'S SHAREHOLDERS

II. The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017("GST Act"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") (collectively referred to as "indirect tax")

1)Special indirect tax benefits available to the Company under the Act

N.A.

2) Special indirect tax benefits available to the shareholders under the Act

N.A.

Notes:

a) The above statement is based upon the provisions of the specified Indirect tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.

b) The above statement covers only above-mentioned tax laws benefits and does not cover any income tax law benefits or benefit under any other law.

c) This statement is intended only 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 tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

d) 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.

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

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

Global Industry Outlook

The global economy is yet again at a highly uncertain moment, with the cumulative effects of the past three years of adverse shocks—most notably, the COVID-19 pandemic and Russia's invasion of Ukraine—manifesting in unforeseen ways. Spurred by pent-up demand, lingering supply disruptions, and commodity price spikes, inflation reached multidecade highs last year in many economies, leading central banks to tighten aggressively to bring it back toward their targets and keep inflation expectations anchored.

Although telegraphed by central banks, the rapid rise in interest rates and anticipated slowing of economic activity to put inflation on a downward path have, together with supervisory and regulatory gaps and the materialization of bank-specific risks, contributed to stresses in parts of the financial system, raising financial stability concerns. Banks' generally strong liquidity and capital positions suggested that they would be able to absorb the effects of monetary policy tightening and adapt smoothly. However, some financial institutions with business models that relied heavily on a continuation of the extremely low nominal interest rates of the past years have come under acute stress, as they have proved either unprepared or unable to adjust to the fast pace of rate rises.

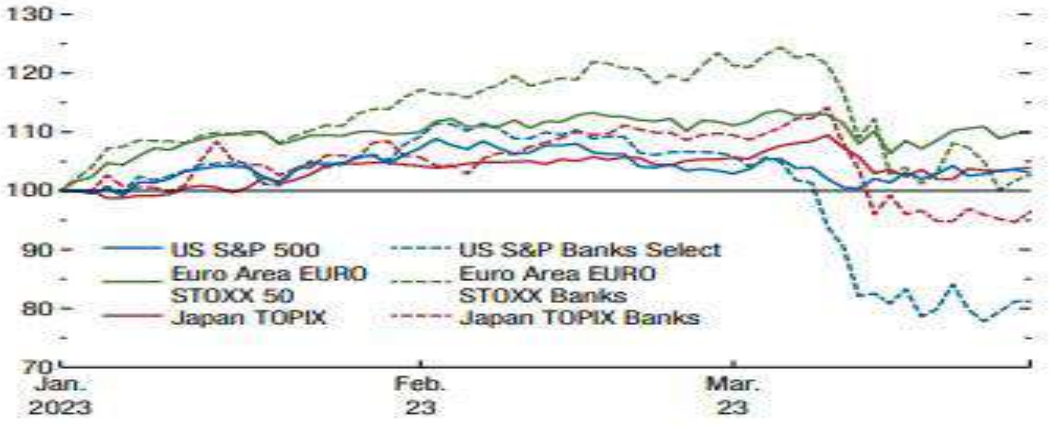
The unexpected failures of two specialized regional banks in the United States in mid-March 2023 and the collapse of confidence in Credit Suisse—a globally significant bank—have roiled financial markets, with bank depositors and investors reevaluating the safety of their holdings and shifting away from institutions and investments perceived as vulnerable. The loss of confidence in Credit Suisse resulted in a brokered takeover. Broad equity indices across major markets have fallen below their levels prior to the turmoil, but bank equities have come under extreme pressure (Figure 1.1). Despite strong policy actions to support the banking sector and reassure markets, some depositors and investors have become highly sensitive to any news, as they struggle to discern the breadth of vulnerabilities across banks and nonbank financial institutions and their implications for the likely near-term path of the economy. Financial conditions have tightened, which is likely to entail lower lending and activity if they persist.

Prior to recent financial sector ructions, activity in the world economy had shown nascent signs of stabilizing in early 2023 after the adverse shocks of last year (Figure 1.2). Russia's invasion of Ukraine and the ongoing war caused severe commodity and energy price shocks and trade disruptions, provoking the beginning of a significant reorientation and adjustment across many economies. More contagious COVID-19 strains emerged and spread widely. Outbreaks particularly affected activity in economies in which populations had lower levels of immunity and in which strict lockdowns were implemented, such as in China. Although these developments imperiled the recovery, activity in many economies turned out better than expected in the second half of 2022, typically reflecting stronger-than-anticipated domestic conditions. Labor markets in advanced economies—most notably, the United States—have stayed very strong, with unemployment rates historically low. Even so, confidence remains depressed across all regions compared with where it was at the beginning of 2022, before Russia invaded Ukraine and the resurgence of COVID-19 in the second quarter.

With the recent increase in financial market volatility and multiple indicators pointing in different directions, the fog around the world economic outlook has thickened. Uncertainty is high, and the balance of risks has shifted firmly to the downside so long as the financial sector remains unsettled. The major forces that affected the world in 2022—central banks' tight monetary stances to allay inflation, limited fiscal buffers to absorb shocks amid historically high debt levels, commodity price spikes and geoeconomic fragmentation with Russia's war in Ukraine, and China's economic reopening—seem likely to continue into 2023. But these forces are now overlaid by and interacting with new financial stability concerns. A hard landing— particularly for advanced economies—

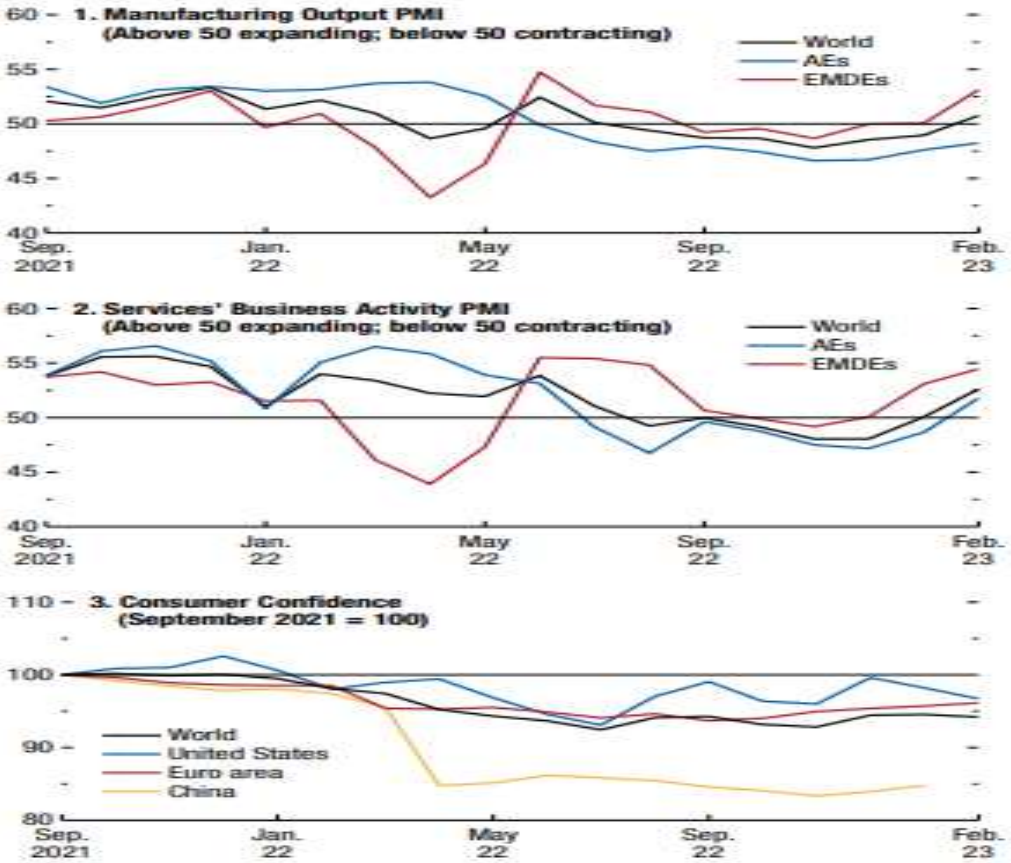
has become a much larger risk. Policymakers may face difficult trade-offs to bring sticky inflation down and maintain growth while also preserving financial stability.

Figure 1.1. Broad Equity and Bank Equity Indices for Selected Major Economies
(Index; January 1, 2023 = 100)



Sources: Bloomberg Finance L.P.; and IMF staff calculations.
Note: Latest data available are for March 28, 2023.

Figure 1.2. Early 2023 Activity Indicators Strengthened but Confidence Remained Depressed
(Indices)



Inflation Is Declining with Rapid Rate Rises but Remains Elevated amid Financial Sector Stress

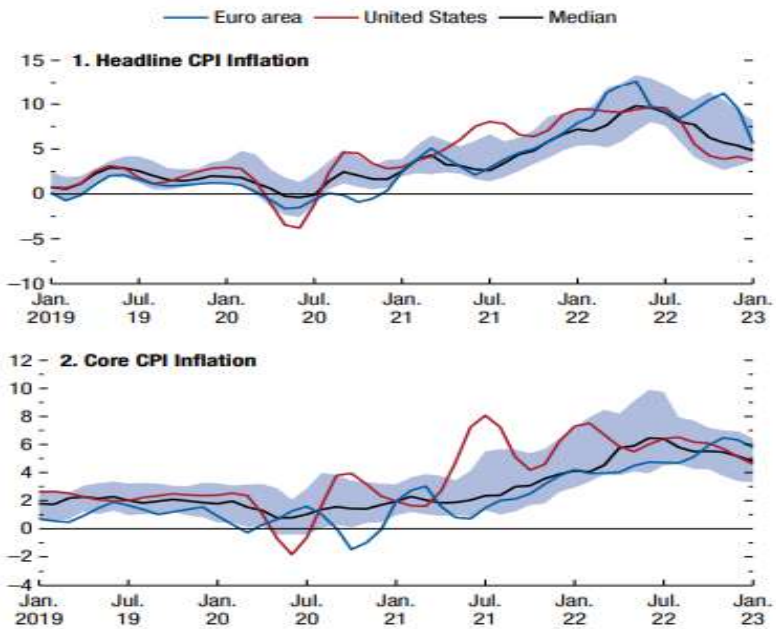
Global headline inflation has been declining since mid-2022 at a three-month seasonally adjusted annualized rate (Figure 1.3). A fall in fuel and energy commodity prices, particularly for the United States, euro area, and Latin America, has contributed to this decline. To dampen demand and reduce underlying (core) inflation, the lion's share of central banks around the world have been raising interest rates since 2021, both at a faster pace and in a more synchronous manner than in the previous global monetary tightening episode just before the global financial crisis. This more restrictive monetary policy has started to show up in a slowdown in new home construction in many countries. Inflation excluding volatile food and energy prices has been declining at a three-month rate—although at a slower pace than headline inflation—in most (though not all) major economies since mid-2022.

Even so, both headline and core inflation rates remain at about double their pre-2021 levels on average and far above target among almost all inflation-targeting countries. Moreover, differences across economies reflect their varying exposure to underlying shocks. For example, headline inflation is running at nearly 7 percent (year over year) in the euro area—with some member states seeing rates near 15 percent—and above 10 percent in the United Kingdom, leaving household budgets stretched.

The effects of earlier cost shocks and historically tight labor markets are also translating into more persistent underlying price pressures and stickier inflation. The labor market tightness in part reflects a slow post-pandemic recovery in labor supply, with, in particular, fewer older workers participating in the labor force (Duval and others 2022). The ratios of job openings to the number of people unemployed in the United States and the euro area at the end of 2022 were at their highest levels in decades. At the same time, the cost pressures from wages have so far remained contained despite the tightness of labor markets, with no signs of a wage-price spiral dynamic—in which both wages and prices accelerate in tandem for a sustained period— taking hold. In fact, real wage growth in advanced economies has been lower than it was at the end of 2021, unlike what took place in most of the earlier historical episodes with circumstances similar to those prevailing in 2021, when prices were accelerating and real wage growth was declining, on average.

Inflation expectations have so far remained anchored, with professional forecasters maintaining their five-year-ahead projected inflation rates near their pre-pandemic levels. To ensure this remains the case, major central banks have generally stayed firm in their communications about the need for a restrictive monetary policy stance, signaling that interest rates will stay higher for longer than previously expected to address sticky inflation.

Figure 1.3. Inflation Turning Down or Plateauing?
(Percent, three-month moving average; SAAR)



Indebtedness Staying High

As a result of the pandemic and economic upheaval over the past three years, private and public debt have reached levels not seen in decades in most economies and remain high, despite their fall in 2021–22 on the back of the economic rebound from COVID-19 and the rise in inflation. Monetary policy tightening—particularly by major advanced economies—has led to sharp increases in borrowing costs, raising concerns about the sustainability of some economies' debts. Among the group of emerging market and developing economies, the average level and distribution of sovereign spreads increased markedly in the summer of 2022, before coming down in early 2023. The effects of the latest financial market turmoil on emerging market and developing economy sovereign spreads have been limited so far, but there is a tangible risk of a surprise increase in coming months should global financial conditions tighten further. The share of economies at high risk of debt distress remains high in historical context, leaving many of them susceptible to unfavorable fiscal shocks in the absence of policy actions.

Feeble and Uneven Growth

Baseline Scenario

The baseline forecast is for global output growth, estimated at 3.4 percent in 2022, to fall to 2.8 percent in 2023, 0.1 percentage point lower than predicted in the January 2023 WEO Update (Table 1.1), before rising to 3.0 percent in 2024. This forecast for the coming years is well below what was expected before the onset of the adverse shocks since early 2022. Compared with the January 2022 WEO Update forecast, global growth in 2023 is 1.0 percentage point lower, and this growth gap is expected to close only gradually in the coming two years. The baseline prognosis is also weak by historical standards. During the two pre-pandemic decades (2000–09 and 2010–19), world growth averaged 3.9 and 3.7 percent a year, respectively.

For advanced economies, growth is projected to decline by half in 2023 to 1.3 percent, before rising to 1.4 percent in 2024. Although the forecast for 2023 is modestly higher (by 0.1 percentage point) than in the January 2023 WEO Update, it is well below the 2.6 percent forecast of January 2022. About 90 percent of advanced economies are projected to see a decline in growth in 2023. With the sharp slowdown, advanced economies are expected to see higher unemployment: a rise of 0.5 percentage point on average from 2022 to 2024.

For emerging market and developing economies, economic prospects are on average stronger than for advanced economies, but these prospects vary more widely across regions. On average, growth is expected to be 3.9 percent in 2023 and to rise to 4.2 percent in 2024. The forecast for 2023 is modestly lower (by 0.1 percentage point) than in the January 2023 WEO Update and significantly below the 4.7 percent forecast of January 2022. In low-income developing countries, GDP is expected to grow by 5.1 percent, on average, over 2023–24, but projected per capita income growth averages only 2.8 percent during 2023–24, below the average for middle-income economies (3.2 percent) and so below the path needed for standards of living to converge with those in middle-income economies.

Table 1.1. Overview of the *World Economic Outlook* Projections
(Percent change, unless noted otherwise)

		Projections		Difference from January 2023 WEO Update[1]		Difference from October 2022 WEO[1]	
	2022	2023	2024	2023	2024	2023	2024
World Output	**3.4**	**2.8**	**3.0**	**−0.1**	**−0.1**	**0.1**	**−0.2**
Advanced Economies	**2.7**	**1.3**	**1.4**	**0.1**	**0.0**	**0.2**	**−0.2**
United States	2.1	1.6	1.1	0.2	0.1	0.6	−0.1
Euro Area	3.5	0.8	1.4	0.1	−0.2	0.3	−0.4
Germany	1.8	−0.1	1.1	−0.2	−0.3	0.2	−0.4
France	2.6	0.7	1.3	0.0	−0.3	0.0	−0.3
Italy	3.7	0.7	0.8	0.1	−0.1	0.9	−0.5
Spain	5.5	1.5	2.0	0.4	−0.4	0.3	−0.6
Japan	1.1	1.3	1.0	−0.5	0.1	−0.3	−0.3
United Kingdom	4.0	−0.3	1.0	0.3	0.1	−0.6	0.4
Canada	3.4	1.5	1.5	0.0	0.0	0.0	−0.1
Other Advanced Economies[2]	2.6	1.8	2.2	−0.2	−0.2	−0.5	−0.4
Emerging Market and Developing Economies	**4.0**	**3.9**	**4.2**	**−0.1**	**0.0**	**0.2**	**−0.1**
Emerging and Developing Asia	4.4	5.3	5.1	0.0	−0.1	0.4	−0.1
China	3.0	5.2	4.5	0.0	0.0	0.8	0.0
India[3]	6.8	5.9	6.3	−0.2	−0.5	−0.2	−0.5
Emerging and Developing Europe	0.8	1.2	2.5	−0.3	−0.1	0.6	0.0
Russia	−2.1	0.7	1.3	0.4	−0.8	3.0	−0.2
Latin America and the Caribbean	4.0	1.6	2.2	−0.2	0.1	−0.1	−0.2
Brazil	2.9	0.9	1.5	−0.3	0.0	−0.1	−0.4
Mexico	3.1	1.8	1.6	0.1	0.0	0.6	−0.2
Middle East and Central Asia	5.3	2.9	3.5	−0.3	−0.2	−0.7	0.0
Saudi Arabia	8.7	3.1	3.1	0.5	−0.3	−0.6	0.2
Sub-Saharan Africa	3.9	3.6	4.2	−0.2	0.1	−0.1	0.1
Nigeria	3.3	3.2	3.0	0.0	0.1	0.2	0.1
South Africa	2.0	0.1	1.8	−1.1	0.5	−1.0	0.5
Memorandum							
World Growth Based on Market Exchange Rates	3.0	2.4	2.4	0.0	−0.1	0.3	−0.2
European Union	3.7	0.7	1.6	0.0	−0.2	0.0	−0.5
ASEAN-5[4]	5.5	4.5	4.6	0.2	−0.1	0.0	−0.3
Middle East and North Africa	5.3	3.1	3.4	−0.1	−0.1	−0.5	0.1
Emerging Market and Middle-Income Economies	3.9	3.9	4.0	−0.1	−0.1	0.3	−0.1
Low-Income Developing Countries	5.0	4.7	5.4	−0.2	−0.2	−0.2	−0.1
World Trade Volume (goods and services)	**5.1**	**2.4**	**3.5**	**0.0**	**0.1**	**−0.1**	**−0.2**
Imports							
Advanced Economies	6.6	1.8	2.7	−0.1	0.2	−0.2	−0.1
Emerging Market and Developing Economies	3.5	3.3	5.1	0.2	0.7	0.3	0.4
Exports							
Advanced Economies	5.2	3.0	3.1	0.4	0.2	0.5	−0.3
Emerging Market and Developing Economies	4.1	1.6	4.3	−0.6	−0.4	−1.3	−0.2
Commodity Prices (US dollars)							
Oil[5]	39.2	−24.1	−5.8	−7.9	1.3	−11.2	0.4
Nonfuel (average based on world commodity import weights)	7.4	−2.8	−1.0	3.5	−0.6	3.4	−0.3
World Consumer Prices[6]	**8.7**	**7.0**	**4.9**	**0.4**	**0.6**	**0.5**	**0.8**
Advanced Economies[7]	7.3	4.7	2.6	0.1	0.0	0.3	0.2
Emerging Market and Developing Economies[8]	9.8	8.6	6.5	0.5	1.0	0.5	1.2

Source: IMF staff estimates.
Note: Real effective exchange rates are assumed to remain constant at the levels prevailing during February 15, 2023–March 15, 2023. Economies are listed on the basis of economic size. The aggregated quarterly data are seasonally adjusted. WEO = *World Economic Outlook*.
[1]Difference based on rounded figures for the current, January 2023 WEO *Update*, and October 2022 WEO forecasts.
[2]Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries.
[3]For India, data and forecasts are presented on a fiscal year basis, and GDP from 2011 onward is based on GDP at market prices with fiscal year 2011/12 as a base year. Quarterly data are non-seasonally adjusted and differences from the January 2023 WEO *Update* and October 2022 WEO are not available.
[4]Indonesia, Malaysia, Philippines, Singapore, Thailand.

[Source: The International Monetary Fund, World Economic Outlook April, 2023]

Indian Economy Overview

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

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

Market Size

As of January 2023, AUM managed by the mutual funds industry stood at Rs. 39.62 trillion (US$ 478.08 billion). Inflow in India's mutual fund schemes via systematic investment plan (SIP) stood at Rs. 1.5 lakh crore (US$ 18.09 billion). Equity mutual funds registered a net inflow of Rs. 22.16 trillion (US$ 294.15 billion) by end of December 2021. The net inflows were US$ 888 million (Rs 7,303.39 crore) in December as compared to a 21-month low of US$ 274.8 million (Rs 2,258.35 crore) in November 2022.

Another crucial component of India's financial industry is the insurance industry. The insurance industry has been expanding at a fast pace. The total first-year premium of life insurance companies reached US$ 32.04 billion in FY23. In FY23 (until December 2022) non-life insurance sector premiums reached at Rs. 1.87 lakh crore (US$ 22.5 billion).

Furthermore, India's leading bourse, Bombay Stock Exchange (BSE), will set up a joint venture with Ebix Inc to build a robust insurance distribution network in the country through a new distribution exchange platform. In FY23, US$ 7.17 billion was raised across 40 initial public offerings (IPOs). The number of companies listed on the NSE increased from 135 in 1995 to 2,113 by FY23 (till December 2022).

According to the statistics by the Futures Industry Association (FIA), a derivatives trade association, the National Stock Exchange of India Ltd. (NSE) emerged as the world's largest derivatives exchange in 2020 in terms number of contracts traded. NSE was ranked 4th worldwide in cash equities by number of trades as per the statistics maintained by the World Federation of Exchanges (WFE) for CY2020.

Leading AMCs in India (as of June 2021)

Top 5 AMCs in India	AUM (US$ billion)
SBI Mutual Fund	70.23
HDFC Mutual Fund	55.97
ICICI Prudential Mutual Fund	55.93
Aditya Birla Sun Life Mutual Fund	36.97
Kotak Mahindra Mutual Fund	33.10

Investment/Developments

The Financial Services Industry has seen major achievements in the recent past:

- In November 2022, Unified Payments Interface (UPI) recorded 7.30 billion transactions worth Rs. 12.11 trillion (US$ 148.63 billion).
- The number of transactions through immediate payment service (IMPS) reached 482.46 million (by volume) and amounted to Rs. 4.66 trillion (US$ 57.05 billion) in October 2022.
- India's PE/VC investments were at US$ 77 billion in 2021, which was 62% higher than 2020.
- In 2021, Prosus acquired Indian payments gaint BillDesk for US$ 4.7 billion.
- In September 2021, eight Indian banks announced that they are rolling out—or about to roll out—a system called 'Account Aggregator' to enable consumers to consolidate all their financial data in one place.
- In September 2021, Piramal Group concluded a payment of Rs. 34,250 crore (US$ 4.7 billion) to acquire Dewan Housing Finance Corporation (DHFL).

Government Initiatives

Some of the major Government Initiatives are

- In September 2021, the international branch of the National Payments Corporation of India (NPCI), NPCI International Payments (NIPL), has teamed with Liquid Group, a cross-border digital payments provider, to enable QR-based UPI payments to be accepted in 10 countries in north and southeast Asia.
- On September 30, 2021, the Reserve Bank of India communicated that the applicable average base rate to be charged by non-banking financial company - micro finance institutions (NBFC-MFIs) to their borrowers for the quarter beginning October 1, 2021, will be 7.95%.
- On September 30, 2021, the IFSC Authority constituted an expert committee to recommend approach towards development of sustainable finance hub and provide road map for the same.
- In August 2021, Prime Minister Mr. Narendra Modi launched e-RUPI, a person and purpose-specific digital payment solution. e-RUPI is a QR code or SMS string-based e-voucher that is sent to the beneficiary's cell phone. Users of this one-time payment mechanism will be able to redeem the voucher at the service provider without the usage of a card, digital payments app, or internet banking access.

Road Ahead

India's financial services industry has experienced huge growth in the past few years. This momentum is expected to continue. India's private wealth management Industry shows huge potential. India is expected to have 6.11 lakh HNWIs by 2025. This will indeed lead India to be the fourth largest private wealth market globally by 2028. India's insurance market is also expected to reach US$ 250 billion by 2025. This will further offer India an opportunity of US$ 78 billion of additional life insurance premiums from 2020-30.

India is today one of the most vibrant global economies on the back of robust banking and insurance sectors. The relaxation of foreign investment rules has received a positive response from the insurance sector, with many companies announcing plans to increase their stakes in joint ventures with Indian companies. Over the coming quarters, there could be a series of joint venture deals between global insurance giants and local players.

The Association of Mutual Funds in India (AMFI) is targeting a nearly five-fold growth in AUM to Rs. 95 lakh crore (US$ 1.47 trillion) and more than three times growth in investor accounts to 130 million by 2025.

India's Fintech space is expected to further fuel this growth in various segments. India's mobile wallet industry is estimated to grow at a Compound Annual Growth Rate (CAGR) of 150% to reach US$ 4.4 billion by 2022, while mobile wallet transactions will touch Rs. 32 trillion (USD$ 492.6 billion) during the same period.

According to Goldman Sachs, investors have been pouring money into India's stock market, which is likely to reach >US$ 5 trillion, surpassing the UK, and become the fifth-largest stock market worldwide by 2024.

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

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read "Risk Factors" beginning on page 20, for a discussion of the risks and uncertainties related to those statements, as well as "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 68 and 110, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Audited Financial Statements.

Our Company was incorporated as "Enbee Trade & Finance Limited" on July 24, 1985 as a public limited company under the Companies Act, 1956 with the Registrar of Companies, Mumbai, Maharashtra and consequently a certificate of commencement of business dated August 6, 1985 was issued to our Company. The corporate identification number of our Company is L50100MH1985PLC036945. The Registered office of our Company is located at B4 /C5, Gods Gift CHS Ltd, N M Joshi Marg, Lower Parel, Mumbai-400013, Maharashtra, India.

We are a Non Deposit Accepting Non-Banking Financial Company (NBFC) registered with RBI to carry on the NBFC activities under Section 45IA of the Reserve Bank of India Act, 1934 bearing Registration no. 13.00691 dated April 20, 1998. As the Company has been granted NBFC License by RBI, the Company's business model is mainly centered on Loan activities i.e. granting of unsecured loans to body corporates and individuals. We need financial resources to fuel the growing demand and to seize the opportunities presented by the market from time to time. We have been in the business for the last 25 years. There are no holding as well as subsidiary companies of the Company.

The objects clause of our Memorandum of Association enables us to undertake our existing activities and the activities for which funds are being raised by us through this Issue.

In the year 2015, our Company has been taken over by new management and the present promoter Amarr Narendra Galla completed the acquisition of shares from erstwhile promoters of the Company pursuant to an Open Offer made under Regulation 3(1) and 4 of Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011 which commenced on December 9, 2015 and expired on December 22, 2015. The settlement date was December 28, 2015. Post Open Offer shareholding of Amarr Narendra Galla was 50.72% of total equity share capital of the Company.

Our Company has allotted 1,20,050 Equity Shares to Mr. Amarr Narendra Galla on preferential basis on June 4, 2015. The Company has further allotted 6,90,000 and 5,45,000 Equity Shares on preferential basis to Promoter, Promoter Group and Non-Promoter individual investor including Persons acting in Concert (PAC) on March 31, 2016 and October 27, 2016 respectively.

We work under the guidance of our Chairman and Managing Director, Amarr Narendra Galla, who has knowledge in the field of financing activities and been associated with our Company since 2015. He has been instrumental in evolving our business operations, growth and future prospects.

Our standalone revenues from operations for Fiscals 2022, 2021 and 2020 were ₹ 363.71 lakhs, ₹ 195.39 lakhs and ₹ 85.95 lakhs, respectively. Our standalone EBITDA for the Fiscals 2022, 2021 and 2020 were ₹ 175.81 lakhs, ₹ 17.06 lakhs and ₹ (55.08) lakhs, respectively. Our standalone profit after tax for Fiscals 2022, 2021 and 2020 were ₹ 94.19 lakhs, ₹ 6.83 lakhs and ₹ (47.85) lakhs, respectively. Our loan portfolio as of December 31, 2022, is ₹ 3,409.00 lakhs.

An overview of loan portfolio as at December 31, 2022, March 31, 2022 and March 31, 2021 is as follows:

(₹ in lakhs)

Particulars	December 31, 2022	March 31, 2022	March 31, 2021
Loan to Related Parties	0	0	0
Other Loan and Advances	3,409.00	2,174.25	1,067.25

DETAILS OF OUR MAJOR BUSINESS ACTIVITIES

As the Company has been granted NBFC License by RBI, the Company's business model is mainly centered on Loan activities i.e. granting of unsecured loans to body corporates and individuals. As on December 31, 2022 the loan portfolio of the Company is ₹ 3,409.00 lakhs.

OUR BUSINESS STRATEGY

Maintain and Expand Long-term Relationships with Clients

The company believes in a conservative investment pattern and has committed client base for its services. The business model is based on client relationships that are established over period of time rather than a project-based execution approach. Our Company believes that long-term client relationship fetches better dividends. Long-term relations are built on trust and continuous satisfaction of the customers. It helps understanding the basic approach of our Company and its market. It also forms basis of further expansion for our Company, as we are able to monitor a potential product/ market closely. The Management of the Company is looking forward to achieve new heights on the corporate front with the new objects as adopted by the Company recently. There are no holding as well as subsidiary companies of the Company.

Leveraging of our Marketing Skills and Relationships

We continue to enhance our business operations by ensuring that our network of customers increases through our marketing efforts.

Focus on customer services by efficient use of technology

We believe that customer service initiatives coupled with the effective use of technology can help us enhance our recognition and business operations. We intend to continue investing in technology to improve our operational efficiencies, functionality, reduce errors and improve our productivity. We also believe in deploying strong technology systems that will enable us to respond to market opportunities and challenges swiftly, improve the quality of services to our customers, and improve our risk management capabilities. We intend to remain committed to technological innovation to ensure our ability to respond to our increasingly sophisticated and competitive market and to mitigate the risks we face as a NBFC.

Continue to focus on cost efficiency and improving productivity

Increased competition has encouraged the players in our industry to find innovative ways to reduce cost and increase the overall efficiency. We intend to focus on keeping our operating costs low, which is critical for remaining profitable, by implementing measures to reduce our operating costs and improving our operational efficiencies.

Attract and retain experienced professionals

Our Company believes in recruiting qualified professionals with experience in financial services sector, credit evaluation, risk management, technology, and marketing

Utilities & Infrastructure Facilities

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

Collaborations

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

Manpower

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

Competitors

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

Customers

We cater to retail as well as institutional clients.

OUR MANAGEMENT AND ORGANISATIONAL STRUCTURE

Our Board of Directors

As per the Articles of Association and subject to the provisions of the Companies Act, our Company is required to have not less than three Directors and not more than twelve Directors, unless otherwise determined by our Company through a special resolution. As on the date of this Letter of Offer, our Board comprises 4 (four) Directors, of which 1 (one) Director is Managing Director, 1 (one) Director is Whole-time Director, who is also the woman Director of our Company and 2 (two) Directors are Independent Directors. Set forth below are details regarding our Board as on the date of this Letter of Offer:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
Amarr Narendra Galla **DIN:** 07138963 **Date of Birth:** July 7, 1980 **Designation:** Chairman and Managing Director **Address:** 0403/4, Tower B, Ashok Tower, DR S S Rao Road Parel, Mumbai- 400 012, Maharashtra, India **Occupation:** Business **Term:** For a period of five years with effect from July 1, 2020 until June 30, 2025 **Nationality:** Indian	42	Nil
Ssamta Amar Gaala **DIN:** 07138965 **Date of Birth:** November 27, 1987 **Designation:** Whole-time Director **Address:** 0403/4, Tower B, Ashok Tower, DR S S Rao Road Parel, Mumbai- 400 012, Maharashtra, India **Occupation:** Business **Term:** For a period of five years with effect February 27, 2023. **Nationality**: Indian	35	Nil
Akash Shailesh Gangar **DIN:** 09079830 **Date of Birth:** September 9, 1990 **Designation:** Independent Director **Address:** C-21, Indraprastha Society, Near Sarvoday Nagar, Near Jain Mandir, Mulund (W) Mumbai- 400 080, Maharashtra, India **Occupation:** Business **Term:** For a period of five (05) years with effect from March 11, 2021 until March 10, 2026 **Nationality:** Indian	32	Nil

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
Jayesh Gulabbhai Patel **DIN:** 06942623 **Date of Birth:** April 20, 1979 **Designation:** Independent Director **Address:** 501/a, Vikas Tower Chsl, Society Road, Near Amboli Fatak, Next To Nikunj School, Andheri East, Mumbai – 400 069, Maharashtra, India. **Occupation:** Business **Term:** For a period of four (04) years with effect from March 11, 2021 until March 10, 2025 **Nationality:** Indian	44	Nil

Confirmations

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

Our Key Managerial Personnel and senior management

In addition to our Managing Director and Whole Time Director, set forth below are the details of our Key Managerial Personnel as on the date of filing of this Letter of Offer:

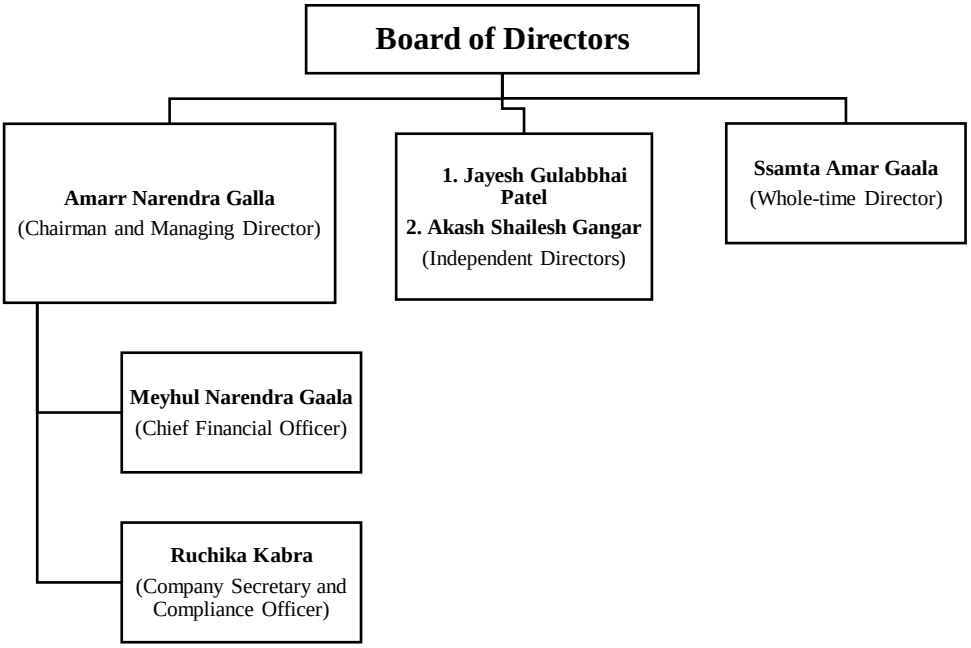
Meyhul Narendra Gaala, aged 44 years, is the Chief Financial Officer of our Company. He has been associated with our Company since November 12, 2016 in the capacity of a Chief Financial Officer.

Ruchika Kabra, aged 28 years, is the Company Secretary and Compliance Officer of our Company. She has been associated with our Company since July 22, 2022 in the capacity of a Company Secretary and Compliance Officer.

All our Key Managerial Personnel are permanent employees of our Company. Except for our Chief Financial Officer and Company Secretary and Compliance Officer, there is no other senior management in our Company.

Management Organization Structure

Set forth is the organization structure of our Company:



SECTION V – FINANCIAL INFORMATION

FINANCIAL INFORMATION

S. No.	Details	Page Number
1.	Unaudited Limited Reviewed Financial Results for the nine months period ended December 31, 2022.	69
2.	Audited Financial Statements as at and for the years ended March 31, 2022.	74

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Independent Auditors' Review Report on the Quarterly and Year to date Unaudited Financial Results Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To,
THE BOARD OF DIRECTORS
ENBEE TRADE & FINANCE LTD

1. We have reviewed the accompanying **Statement of Unaudited Financial Results** of ENBEE TRADE & FINANCE LIMITED (the 'Company'), for the quarter ended December 31, 2022 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Regulation').

2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting", prescribed under section 133 of the Companies Act, 2013 (the 'Act'), read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ('SRE') 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free from material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted and procedure performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards specified under Section 133 of the Act, as amended, read with relevant rules issued there under and other accounting principles generally accepted in India, has not disclosed the information

Registered with Limited Liability under The Limited Liability Partnership Act, 2008 with Registration No. AAA - 7120
Regd. Office: Office No. 40, Morarji Velji Bldg, 1st floor, 9/15, Dr. M.B. Velkar Street, Marine Lines (East), Mumbai – 400002.
Tel: +91 22 43153000 Fax: +91 22 43153015. Email: aja@ajallp.in. Website: www.ajallp.in

required to be disclosed in terms of Regulation 33 of the Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Ambavat Jain & Associate LLP
Chartered Accountants
Firm Registration No.: 109681W

Chirag Shah
Partner
Membership No:125997
UDIN: 23125997BGZAKT7930
Place: Mumbai
Date: 07-02-2023

Registered with Limited Liability under The Limited Liability Partnership Act, 2008 with Registration No. AAA - 7120
Regd. Office: Office No. 40, Morarji Velji Bldg, 1st floor, 9/15, Dr. M.B. Velkar Street, Marine Lines (East), Mumbai – 400002.
Tel: +91 22 43153000 Fax: +91 22 43153015. Email: aja@ajallp.in. Website: www.ajallp.in

ENBEE TRADE AND FINANCE LTD.
CIN No: L50100MH1985PLC036945
REGD. Office: B4/C5, Gods Gift Chs Ltd., N.M. Joshi Marg, Lower Parel, Mumbai 400013.
Ph: 022-24965566, Fax: 022-24965566
Email ID:enbeetrade@gmail.com; Website: www.enbeetrade.com

February 07, 2023

To,
The BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

Re: BSE Code – 512441

Subject: Outcome of Board Meeting of Enbee Trade and Finance Limited ("the Company") held on February 07, 2023.

Pursuant to Regulation 33 of SEBI (Listing Obligation And Disclosure Requirement) Regulation, 2015, we would like to inform your good office that the Board of Directors of the Company at their meeting held on **February 07, 2023,** has approved the Standalone Un-Audited Financial Results for the Quarter ended December 31, 2022, along with the Limited Review Report as on that date.

We are hereby enclosing the Standalone Unaudited Financial Results along with the Limited Review Report for the Quarter that ended on December 31, 2022.

The meeting of the Board of Directors of the Company commenced at 12:30 p.m. and concluded at 1:00 p.m.

Request you kindly take this letter on record and acknowledge the receipt.

Thanking You

Yours truly,
For Enbee Trade and Finance Limited

ENBEE TRADE AND FINANCE LTD. MUMBAI

Amarr Narendra Galla
Managing Director
DIN: 07138963

ENBEE TRADE AND FINANCE LIMITED
CIN No: L50100MH1985PLC036945
B4/C5, Gods Gift Chs Ltd, N M Joshi Marg, Lower Parel, Mumbai - 400013
Ph: 022-24965566, Fax: 022-24965566, Email Id:enbeetrade@gmail.com; Website: www.enbeetrade.com

Statement of standalone unaudited financial results for the quarter ended 31st December, 2022

Rs. In Lakhs

Particulars	Quarter Ended			Nine Months Ended		Year Ended 31 March 2022 (Audited)
	31st December 2022 (Unaudited)	30th September 2022 (unaudited)	31st December 2021 (Unaudited)	31st December 2022 (Unaudited)	31st December 2021 (Unaudited)	
A. REVENUE FROM OPERATION						
Interest Income	125.11	248.70	115.32	551.08	232.41	363.71
Finance Income			-	-		-
	125.11	**248.70**	**115.32**	**551.08**	**232.41**	**363.71**
B. OTHER INCOME	-	-0.07	-	-	-	0.27
Total Revenue	**125.11**	**248.63**	**115.32**	**551.08**	**232.41**	**363.98**
EXPENSES:	-					
Employee Benefits Expense	58.84	52.10	33.90	160.00	127.20	177.77
Finance Cost	30.24	29.61	10.50	82.12	10.50	40.92
Impairment of Financial Instrument (ECL)	20.97	65.79	-	89.82	-	-58.42
Depreciation, Amortisation, Impairment	1.17	1.10	0.00	3.49	0.01	4.40
Other Expenses	10.99	1.25	15.02	14.74	23.93	68.82
Total Expenses	**122.21**	**149.85**	**59.42**	**350.17**	**161.64**	**233.49**
Profit before Extra Ordinary Items	**2.90**	**98.78**	**55.90**	**200.91**	**70.77**	**130.49**
Extra Ordinary Items	-	-	-	-	-	-
Profit before Tax	**2.90**	**98.78**	**55.90**	**200.91**	**70.77**	**130.49**
Less: Tax Expense:	-					
Current Tax	-4.11	24.43	16.02	46.11	30.28	36.69
MAT Credit			-			-
Excess/Short Provision for earlier period			-		-	-
Deferred Tax	-0.13		-0.01	-0.13	-0.02	-0.39
Less: Tax Expense:	**-4.25**	**24.43**	**16.01**	**45.98**	**30.26**	**36.30**
Less: Share of profit / (Loss) of associates	-	-	-	-	-	-
Profit for the Year	**7.15**	**74.35**	**39.89**	**154.93**	**40.51**	**94.19**
OTHER COMPREHENSIVE INCOME:	-	-	-	-	-	-
	-					

ENBEE TRADE AND FINANCE LTD. MUMBAI

Other Comprehensive Income for the year, net of tax	-	-	-	-	-	-
Total Comprehensive Income for the year Net of Tax	**7.15**	**74.35**	**39.89**	**154.93**	**40.51**	**94.19**
Basic & Diluted Earning per Equity Share [EPS]						
Basic	0.45	4.65	2.49	9.68	2.53	5.89
Diluted	0.45	4.65	2.49	9.68	2.53	5.89
Paid-up Equity Share capital(Face Value Rs.10/-)						
Paid-up Equity Share capital (Face Value Rs. 10/-)	160.01	160.01	160.01	160.01	160.01	160.01

Notes

1 The above Unaudited results were reviewed by the Audit Committee and thereafter approved by the Board of Directors in its meeting held on 7th Februray,

2 The above financial results for the quarter ended on December 31, 2022 have been drawn from financial statements prepared in accordance with Indian Accounting Standards 34 on 'Interim Financial Reporting'.

3 The financial results for the quarter ended December 31, 2022 have been arrived at after considering necessary provisions for expected credit losses

4 The company is operating under one segment hence segment reporting is not required.

5 The above Quarterly Financial Results filed with the Stock Exchange under Regulation 33 of the SEBI (LODR) Regulations, 2015. The same is available on stock exchange website i.e. (www.bseindia.com) and also at the Company's website viz www.enbeetrade.com.

6 Previous period figures have been regrouped/ reclassified wherever necessary.

For and on behalf of the Board of Directors of
Enbee Trade and Finance Limited

ENBEE TRADE AND FINANCE LTD. MUMBAI

Amar Gala
Managing Director
DIN: 07138963
Mumbai :

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ENBEE TRADE AND FINANCE LIMITED

Opinion

We have audited the accompanying Standalone Financial Statements of **Enbee Trade and Finance Limited** ("the Company"), which comprise the standalone Balance Sheet as at 31st March 2022, and the standalone Statement of Profit and Loss (including other comprehensive income), standalone Statement of Changes in Equity and standalone statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of the Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key audit matters

Key audit matters as per SA 701 are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statement of the current period. These matters were addressed in the context of our audit of the Financial Statement as a whole, and in forming our Opinion thereon, and we do not provide a separate opinion on these matters.

Description of key audit matters:

Key audit matter	**How the matter was addressed in our audit**
Impairment of loans and advances to customers Subjective estimate	
Recognition and measurement of impairment of loans and advances involve significant management judgement. Under Ind AS 109, Financial Instruments, allowance for loan losses are determined using expected credit loss (ECL) Model. The Company's impairment allowance is derived from estimates	Our audit procedures included: • Evaluation of the appropriateness of the impairment principles used by management based on the requirements of Ind AS 109, our business understanding and industry practice. • Assessing design and implementation of key internal financial controls over loan

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including the historical default and lossratios, current economic condition and forward-looking information. Management exercises judgement in determining the quantum of loss based on a range of factors. The most significant areas are: - Loan staging criteria - Calculation of probability of default / Loss given default - Determination of exposure at default - Consideration of forward looking macro-economic factors - Complexity of disclosures There are many data inputs required by the ECL model. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. In some cases, data is unavailable and reasonable alternatives have been applied to allow calculations to be performed.	impairment process used to calculate the impairment charge. • Understanding management's ~~revised~~ processes, systems and controls implemented in relation to impairment allowance process, particularly in view of COVID-19 regulatory package. • Evaluating management's controls over collation of relevant information used for determining estimates for management overlays on account of COVID-19. • Testing of review controls over measurement of impairment allowances and disclosures in financial statements.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the

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preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B".**

C. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,

In our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact itsfinancial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

iv. a. The Management has represented that, to the best of its knowledge and belief, no

funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

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

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

v. The company has not declared or paid dividend during the year.

For Ambavat Jain And Associates LLP
Chartered Accountants
Firms Registration No:109681W

Chirag Shah
Partner
Membership No:125997
UDIN: 22125997AJWUNW1819
Place: Mumbai
Date: 30th May, 2022

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ENBEE TRADE AND FINANCE LIMITED

CIN No: L50100MH1985PLC036945

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Balance Sheet as at 31 March 2022

(Currency: INR in Lakhs)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
1. Financial assets			
(a) Cash and cash equivalents	2	4.36	3.49
(b) Loans	3	2,194.20	965.53
(c) Other Financial assets	4	2.00	1.72
Total financial assets		**2,200.56**	**970.74**
2. Non-financial assets			
(a) Deferred tax Assets (Net)	5	28.62	36.12
(b) Property, Plant and Equipment	6	0.05	4.46
Total non-financial assets		**28.67**	**40.58**
Total Assets		**2,229.23**	**1,011.32**
LIABILITIES AND EQUITY			
A. LIABILITIES			
1. Financial Liabilities			
(a) Borrowings (other than debt securities)	7	1,065.00	-
(b) Other financial liabilities	8	2.81	8.76
Total Financial Liabilities		**1,067.81**	**8.76**
2. Non-Financial Liabilities			
(a) Current tax liabilities (Net)	9	54.85	8.83
(b) Provisions	10	26.52	-
(c) Other Non-financial liabilities	11	37.47	45.34
Total non-financial Liabilities		**118.84**	**54.17**
B. EQUITY			
(a) Equity Share capital	12	160.01	160.01
(b) Other Equity	13	882.57	788.38
Total equity		**1,042.58**	**948.39**
Total liabilities and equity		**2,229.23**	**1,011.32**

See accompanying notes to the financial statements

As per our report of even date attached

For Ambavat Jain & Associates LLP

Chartered Accountants

Firm's Registration No.: 109681W

Chirag Shah

Partner

Membership No. : 125997

Mumbai : 30th May, 2022

UDIN : 22125997AJWUNW1819

For and on behalf of the Board of Directors of Enbee Trade and Finance Limited

Managing Director

Mumbai : 30th May, 2022

Chief Financial Officer

Mumbai : 30th May, 2022

Ruchika Kabra - company Secretory

Mem No : 67295

ENBEE TRADE AND FINANCE LIMITED

CIN No: L50100MH1985PLC036945

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Statement of Profit and Loss for the year ended 31 March 2022

(Currency: INR in Lakhs)

Particulars	Note	Year Ended 31 March 2022 (Audited)	Year Ended 31 March 2021 (Audited)
i. Revenue from operations			
Interest Income	14	363.71	195.39
Total revenue from operations		**363.71**	**195.39**
ii. Other Income	15	0.27	0.23
I. Total income (i + ii)		**363.98**	**195.62**
II. Expenses:			
(a) Finance Cost	16	40.92	3.17
(b) Impairment of Financial Instrument (ECL)		(58.42)	70.28
(c) Employee Benefits Expense	17	177.77	92.48
(d) Depreciation and amortization	6	4.40	4.43
(e) Other expenses	18	68.82	15.80
Total Expenses		**233.49**	**186.16**
III. Profit before Extra Ordinary Items (I-II)		**130.49**	**9.46**
Extra Ordinary Items		-	-
IV. Profit before Tax		**130.49**	**9.46**
Current Tax	19	36.69	20.00
Deferred Tax	19	(0.39)	(17.37)
V. Total tax expense		**36.30**	**2.63**
VI. Net profit after tax (IV-V)		**94.19**	**6.83**
Other comprehensive income			
(a) Items that will not be reclassified to profit or loss		-	-
(b) Items that will be reclassified to profit or loss			
VII. Other comprehensive income		-	-
VIII. Total Comprehensive Income (VI + VII)		**94.19**	**6.83**
IX. Earning per Equity Share [EPS]	20		
(a) Basic (in ₹)		5.89	0.43
(b) Diluted (in ₹)		5.89	0.43
Paid-up Equity Share capital(Face Value ₹ 10/-)			
Significant accounting policies			

The accompanying Notes are an integral part of the financial statements

As per our report of even date attached

For Ambavat Jain & Associates LLP

Chartered Accountants

Firm's Registration No.: 109681W

Chirag Shah

Partner

Membership No. : 125997

Mumbai:

UDIN : 22125997AJWUNW1819

For and on behalf of the Board of Directors of Enbee Trade and Finance Limited

Managing Director

Mumbai : 30th May, 2022

Chief Financial Officer

Mumbai : 30th May, 2022

Ruchika Kabra - Company Secretory

Mem No : 67295

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Statement of Changes in Equity for the year ended 31 March 2022

(Currency: INR in Lakhs)

A. Equity Share Capital

Particulars	31 March 22		31 March 21	
	Number	Rs.	Number	Rs.
Shares outstanding at beginning of year	16	160.01	16	160.01
Shares Issued during year	-	-	-	-
Shares bought back during year	-	-	-	-
Shares outstanding at end of year	**16**	**160.01**	**16**	**160.01**

B. Other Equity

Particulars	Reserves & Surplus				Total Reserve
	Securities premium	Statutory Reserve	Retained Earnings	Total	
	I	II	III	I+II+III	
Balance as at April 01, 2021	**542.02**	**46.01**	**200.35**	**788.38**	**788.38**
Profit For the year	-	-	94.19	94.19	94.19
Other Comprehensive Income/(Loss) for the year	-	-	-	-	-
Total Comprehensive Income	**542.02**	**46.01**	**294.54**	**882.57**	**882.57**
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	-	-	-	-
Changes for the year					
Balance at March 31, 2022	**542.02**	**46.01**	**294.54**	**882.57**	**882.57**
Balance as at April 01, 2020	**542.02**	**46.01**	**193.52**	**781.55**	**781.55**
Profit For the year	-	-	6.83	6.83	6.83
Other Comprehensive Income/(Loss) for the year	-	-	-	-	-
Total Comprehensive Income	**542.02**	**46.01**	**200.35**	**788.38**	**788.38**
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	-	-	-	-
Changes for the year	-	-	-	-	-
Balance at March 31, 2021	**542.02**	**46.01**	**200.35**	**788.38**	**788.38**

As per our report of even date attached
For Ambavat Jain & Associates LLP
Chartered Accountants
Firm's Registration No.: 109681W

Chirag Shah
Partner
Membership No. : 125997
Mumbai: 30th May, 2022
UDIN:22125997AJWUNW1819

For and on behalf of the Board of Directors of
Enbee Trade and Finance Limited

Managing Director
Mumbai: 30th May, 2022

Director
Mumbai: 30th May, 2022

Chief Financial Officer
Mumbai: 30th May, 2022

Company Secretary
Mumbai: 30th May, 2022

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Cash Flow Statement for the year ended 31 March 2022

(Currency: INR in Lakhs)

	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A	**Cash flow from operating activities**		
	Net Profit before Taxation	**130.49**	**9.46**
	Adjustments to reconcile profit before tax to net cash flows :		
	Depreciation & amortisation	4.40	4.43
	Interest on Financial Instruments	0.27	0.23
	Finance Cost	40.92	3.17
	Impairment Provision per ECL	-58.42	70.28
	Cash generated from operations before working capital changes	**117.66**	**87.57**
	Adjustments for:		
	(Increase)/ Decrease in trade receivables		
	(Increase)/ Decrease in Loans and Advances	(1,211.45)	(89.25)
	Increase/ (Decrease) in Current Liabilities	(7.87)	6.41
	Cash Generated from Operations	**(1,219.32)**	**4.73**
	Income Tax Paid	(17.24)	2.99
	Net cash flows from/(used in) operating activities	**(1,202.08)**	**1.74**
B	**Cash Flow from Investing Activities:**		
	Purchase of Fixed Assets / Recognition of ROU Asset	(0.01)	(0.02)
	Net cash flows from/(used in) investing activities	**(0.01)**	**(0.02)**
C	**Cash Flow from Financial Activities:**		
	Cash flow from borrowings & other Financial Liabilities	1,085.57	-
	Interest on Financial Instruments	-0.27	-
	Net cash flows from/(used in) financing activities	**1,085.30**	**-**
	Net Increase/(decrease) in cash and cash equivalents (A+B+C)	**0.87**	**1.72**
	Cash and cash equivalents at the beginning of the year	3.49	1.77
	Cash and cash equivalents at the end of the year	4.36	3.49
	Net Inflow	**0.87**	**1.72**

Note:

1. Cash and cash equivalents comprise of cash on hand and balances with bank in current accounts.
2. Cash flows arising on account of taxes on income are not specifically bifurcated with respect to investing & financing activities.
3. Previous year's figures have been regrouped, wherever necessary to confirm to current year's classification.
4. Figures in brackets represent outflow
5. The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in the Ind AS - 7 Statement of Cash Flow.

As per our report of even date attached

For Ambavat Jain & Associates LLP

Chartered Accountants

Firm's Registration No.: 109681W

Chirag Shah

Partner

Membership No. : 125997

Mumbai: 30th May, 2022

UDIN : 22125997AJWUNW1819

For and on behalf of the Board of Directors of Enbee Trade and Finance Limited

Managing Director

Mumbai : 30th May, 2022

Chief Financial Officer

Mumbai : 30th May, 2022

Ruchika Kabra - company Secretory

Mem No : 67295

ENBEE TRADE AND FINANCE LIMITED

Notes to the Financial statements as at ended 31st March 2022

(Currency: INR in Lakhs)

Note No	Particulars	As at March 31, 2022	As at March 31, 2021
2	**Cash & Cash Equivalents**		
	Cash on hand	0.50	0.50
	Balances with banks: In Current Account	3.86	2.99
		4.36	3.49
3	**Loans**		
	Term Loans(Unsecured)	2,174.25	1,067.25
	Accrued Interest	105.23	40.32
	Gross Loans	2,279.48	1,107.57
	Less : Impairment loss Allowance	85.28	142.04
	Stage 1	39.42	8.40
	Stage 2	45.86	16.58
	Stage 3		117.06
	Net Loans	2,194.20	965.53
3. a	Unsecured loan (Gross)	2,279.48	1,107.57
	Less : Impairment loss Allowance	85.28	142.04
	Stage 1	39.42	8.40
	Stage 2	45.86	16.58
	Stage 3		117.06
	Net Total	2,194.20	965.53
3.b	Loans in India		
	Public Sector	-	
	Others (Individuals)	2,279.48	1,107.57
	Total Gross	2,279.48	1,107.57
	Less : Impairment loss Allowance	85.28	142.04
	Stage 1	39.42	8.40
	Stage 2	45.86	16.58
	Stage 3		117.06
	Net Total	2,194.20	965.53

During the current and prior reporting periods, there was no change in the business model under which the company holds financial assets and therefore and no reclassifications where made

Loans Given to related parties as on March 31, 2022 is Rs. NIL (as on March 31, 2021 is Rs.NIL)

4	**Other Financial assets**		
	Security deposits - unsecured; considered good	2.00	1.72
		2.00	1.72
5	**Deferred Tax Asset (Net)**		
	Temporary Differences Attributable to:		
	Property,Plant and Equipments	0.10	0.15
	Expected Credit Loss on Loan Assets	28.52	35.97
	Deferred Tax Asset / (Liability) - Net	28.62	36.12
7	**Borrowings (other than debt securities) - at amortised cost**		
	Loan from Related parties	1,065.00	-
		1,065.00	-
	Terms and Conditions of loans : Repayable on Demand		
	Rate of interest : 9%		
8	**Other financial liabilities**		
	Lease Liability - Refer Note 21	(0.03)	3.54
	Interest payable	2.84	
		2.81	3.54
9	**Current Tax Liabilities (Net)**		
	Provision for income tax (Net of advance tax)	54.85	8.83
		54.85	8.83
10	**Provisions**		
	Provision for Expenses	26.52	5.22
		26.52	5.22
11	**Other Non-Financial Liabilities**		
	Liability for expenses	-	21.84
	Statutory dues	37.46	23.49
		37.46	45.33

ambavat jain & associates LLP Regn. No. (109681W) Chartered Accountants

ENBEE TRADE AND FINANCE LIMITED

Notes to Financial Statement for Year ended 31st March 2022

(Currency: INR in Lakhs)

Note No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
14	**Interest Income on Loans**		
	On financial assets measured at amortised cost		
	Interest Income on Loans	363.71	195.39
		363.71	**195.39**
15	**Other Income**		
	Finance Income - Lease Deposit	0.27	0.23
		0.27	**0.23**
16	**Finance cost**		
	Interest	37.29	-
	Finance Cost on Leases	3.63	3.17
		40.92	**3.17**
17	**Employee Benefit Expenses**		
	Salaries and wages	177.77	92.48
		177.77	**92.48**
18	**Other Expenses**		
	Auditors Remuneration		
	- For Audit (Refer Note 34)	3.60	3.00
	- Other Services	8.81	-
	Electricity Expenses	0.58	0.14
	Legal & Professional Fees	8.18	4.18
	Printing & Stationery	-	0.06
	Rates & Taxes and License Fees	9.11	4.68
	Renewal Fees	-	0.03
	ROC Expenses	27.86	0.06
	Penalties	10.16	3.55
	Other Miscellaneous Expenditure	0.52	0.10
		68.82	**15.80**
19	**Schedule of Taxes**		
	Current Tax	36.69	20.00
	Deferred Tax	(0.39)	(17.37)
		36.30	2.63

ENBEE TRADE AND FINANCE LIMITED
Notes to Financial Statement for Year ended 31st March 2022

(Currency: INR in Lakhs)

6 **Property,Plant & Equipment and ROU Assets**

The changes in the carrying value of property, plant and equipment & intangible assets for the year ended 31 March 2022 are as follows:

Particulars	Gross Carrying Amount				Accumulated Depreciation and amortization				Net Carrying Amount	
	As on 01.04.21	Additions	Deductions	As on 31.03.22	Upto 01.04.21	Addition	Deductions	Upto 31.03.22	As on 31.03.22	As on 31.03.21
Tangible Assets										
Computer	1.16			1.16	1.09	0.01	-	1.10	0.06	0.07
A. Net Carrying Amount	1.16	-	-	1.16	1.09	0.01	-	1.10	0.06	0.07
ROU Assets										
Premises on Operating Lease - Refer Note 9.1	13.35			13.35	8.96	4.39		13.35	(0.01)	4.39
B. Net Carrying Amount	13.35	-	-	13.35	8.96	4.39	-	13.35	(0.01)	4.39

The changes in the carrying value of property, plant and equipment & intangible assets for the year ended 31 March 2021 are as follows:

Particulars	Gross Carrying Amount				Accumulated Depreciation and amortization				Net Carrying Amount	
	As on 01.04.20	Additions	Deductions	As on 31.03.21	Upto 01.04.20	Addition	Deductions	Upto 31.03.21	As on 31.03.21	As on 31.03.20
Tangible Assets										
Computer	1.16	-	-	1.16	1.05	0.04	-	1.09	0.07	0.11
A. Net Carrying Amount	1.16	-	-	1.16	1.05	0.04	-	1.09	0.07	0.11
ROU Assets										
Premises on Operating Lease - Refer Note 9.1	13.35			13.35	4.57	4.39		8.96	4.39	8.78
B. Net Carrying Amount	13.35	-	-	13.35	4.57	4.39	-	8.96	4.39	8.78

Notes:

- The Company has not revalued any of its property, plant and equipment & intangible assets during the current and previous financial year.

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12 SHARE CAPITAL

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Rs. In Lakhs	Number	Rs. In Lakhs
Authorised Capital 20,00,000 Equity Shares of Rs. 10 each (Previous year 20,00,000 Shares of Rs. 10 each)	20,00,000	200.00	20,00,000	200.00
	20,00,000.00	200.00	20,00,000	200.00
Issued, Subscribed and Paid up Capital 16,00,050 Equity Shares of Rs. 10 each (Previous Year 16,00,050 Shares of Rs.10 each, fully paid up)	16,00,050	160.01	16,00,050	160.01
	16,00,050.00	**160.01**	**16,00,050.00**	**160.01**

12.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Rs. In Lakhs	Number	Rs. In Lakhs
Equity shares				
At the beginning of year	16,00,050	160	16,00,050	160
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
At the end of the year	**16,00,050**	**1,60,00,500**	**16,00,050**	**1,60,00,500**

12.2 Details of shareholders holding more than 5% Equity shares in the company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% shareholding	No. of Shares held	% shareholding
Equity shares held by				
Mr. Amar Narendra Gala	2,85,166	17.82%	2,85,166	17.82%

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

12.3 There are no shares issued or reserved for issue under options and contracts or commitments for the sale of shares or disinvestment during the period of five years immediately preceding the Balance Sheet date. There are no shares allotted without the payment being received in cash during the period of five years immediately preceding the Balance Sheet date.

12.4 During the last five years there were no Bonus Shares were issued.

12.5 Details of shareholding of promoters are given below:

As at 31 March 2022

Shares held by promoters at the end of the year			
Sr. No. Promoter name	No. of shares	% of total shares	% Change during the year
AMAR NARENDRA GALA	2,85,166.00	17.82	-
SAMTA AMAR GALA	50,000.00	3.12	-
NEHA MEHUL GALA	5,000.00	0.31	-
BHARAT THAKARSHI MAMANIA	25,000.00	1.56	-
NARENDRA BHAVANJI GALA	10,000.00	0.62	-
MEHUL NARENDRA GALA	5,000.00	0.31	-
MEHUL NARENDRA GALA HUF	5,000.00	0.31	-
NEEL BHARAT MAMANIA	5,000.00	0.31	-
AMAR NARENDRA GALA HUF	5,000.00	0.31	-
REKHA BHARAT MAMANIA	5,000.00	0.31	-
BHARAT THAKARSHI MAMANIA HUF	5,000.00	0.31	-
NARENDRA BHAVANJI GALA HUF	10,000.00	0.62	-
BHARATHI NARENDRA GALA	20,000.00	1.25	-
Total	**4,35,166.00**	**27.20**	

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As at 31 March 2021

Shares held by promoters at the end of the year			% Change during the year
Sr. No. Promoter name	No. of shares	% of total shares	
AMAR NARENDRA GALA	285166.00	17.82	-
SAMTA AMAR GALA	50000.00	3.12	-
NEHA MEHUL GALA	5000.00	0.31	-
BHARAT THAKARSHI MAMANIA	25000.00	1.56	-
NARENDRA BHAVANJI GALA	10000.00	0.62	-
MEHUL NARENDRA GALA	5000.00	0.31	-
MEHUL NARENDRA GALA HUF	5000.00	0.31	-
NEEL BHARAT MAMANIA	5000.00	0.31	-
AMAR NARENDRA GALA HUF	5000.00	0.31	-
REKHA BHARAT MAMANIA	5000.00	0.31	-
BHARAT THAKARSHI MAMANIA HUF	5000.00	0.31	-
NARENDRA BHAVANJI GALA HUF	10000.00	0.62	-
BHARATHI NARENDRA GALA	20000.00	1.25	-
Total	4,35,166.00	27.20	-

12.5 Terms and rights attached to equity shares

The company has only one class of Equity having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by shareholders at 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.

The Company has not allotted any shares pursuant to contracts without payment being received in cash or as bonus shares nor has it bought back any shares during the preceding period of five financial years.

13 Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934	46.01	46.01
(b) Securities Premium Account	542.02	542.02
(c) Retained Earnings	294.54	200.35
Total	882.57	788.38

13.1 Nature of reserves

Securities premium reserve: Securities premium reserve is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of redeemable preference shares or debentures, write-off of expenses on issue of equity shares, etc.

Statutory reserve: It has been created in terms of Section 45-IC (1) of the Reserve Bank of India Act, 1931 ("RBI Act") and the Company transfers at least 20% of its net profits every year to this reserve before any dividend is declared.

Retained earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to statutory reserve and dividends paid to investors.

ENBEE TRADE AND FINANCE LIMITED

Notes to Financial Statement for Year ended 31st March 2022

20 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders after adjusting for effects of all dilutive potential shares for the convertible preference shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential shares into Equity shares.

PARTICULAR	Units	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit after tax	₹ in lakhs	94.19	6.83
Less: Dividend on preference shares and attributable tax thereon	₹ in lakhs	-	-
Profit after tax for basic EPS	₹ in lakhs	94.19	6.83
Weighted average number of equity shares for calculating basic earnings	Numbers	16,00,050.00	16,00,050.00
Face value of equity shares	₹	10.00	10.00
Basic earnings per share	₹	**5.89**	**0.43**
Profit after tax for diluted EPS	₹ in lakhs	94.19	6.83
Weighted average number of equity shares for calculating diluted earnings	Numbers	16,00,050	16,00,050
Face value of equity shares	₹	10	10
Diluted earnings per share	₹	**5.89**	**0.43**

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ENBEE TRADE AND FINANCE LIMITED

Notes to Financial Statement for Year ended 31st March 2022

(Currency: INR in Lakhs)

21 **Lease disclosures under Ind-AS 116 for the current year ended 31 March 2021**

Operating leases:

The Company has entered into leasing arrangements for premises. Majority of the leases are cancellable by the Company. ROU has been included after the line 'Property, Plant and Equipment' and 'Lease Liability' has beenincluded under 'Other Financial Liabilities' in the Balance Sheet.

The Company has recognised lease liabilities and right to use assets as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
I. Lease liabilities		
Opening balance	3.54	7.56
Add: Lease liabilities recognised during the year		
Less: Lease liabilities written off during the year		
Add: Interest accrued on lease liabilities	3.63	3.17
Less: Lease payments	7.20	7.20
Closing balance of lease liabilities	(0.03)	3.54
II. Right of use assets (RoU assets)		
Opening balance	4.39	8.78
Add: RoU assets recognised during the year		
Less: RoU assets written off during the year		
Less: Depreciation on RoU assets	4.39	4.39
Closing balance of RoU assets	(0.10)	4.39

Lease liabilities and lease cash flows

Particulars	As at 31 March 2022	As at 31 March 2021
Maturity analysis- contractual undiscounted cash flows		
Less than one year		7.20
One to five years	7.20	
More than five years		
Total undiscounted lease liabilities	7.20	7.20
Lease liabilities included in the financial statements	(0.03)	3.54

Amount recognised in statement of profit or loss

Particulars	As at 31 March 2022	As at 31 March 2021
Interest on lease liabilities charged to finance cost	3.63	3.17
Depreciation charge for the period on RoU assets	(4.39)	4.39
Total	(0.76)	7.56

Cash out flow on account of lease payments is ₹ 7.2 lakhs (for previous year ₹ 7.2 lakhs)

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ENBEE TRADE AND FINANCE LIMITED

Notes to Financial Statement for Year ended 31st March 2022

(Currency: INR in Lakhs)

22 Financial Instruments

A) **Accounting classification and fair values**

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Carried at Amortised Cost

Financial Assets	As on March 31, 2022	As on March 31, 2021
Loans	2,194.20	965.53
Other Financial assets	2.00	1.72
Cash and cash equivalents	4.36	3.49
	2,200.56	**970.74**
Financial liabilities		
Borrowings	1,065.00	-
Other financial liabilities	29.33	8.76
	1,094.33	**8.76**

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and balances, trade receivables, balances other than cash and cash equivalents, trade payables, loans, other deposits, other financial assets and other financial liabilities

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(Currency: INR in Lakhs)

22 Financial Instruments (continued)

B) Financial risk management

The Company has to manage various risks associated with the lending business. These risks include credit risk, liquidity risk and market risk.

I. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by theCompany, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Riskmanagement policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company undertakes regular and ad hoc reviews of risk management controls andprocedures, the results of which are reported to the Board.

II. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from :

a. Company's receivables from customers
b. Loan Portfolio
c. Cash and cash equivalents and other bank balances

a. Receivables:
The receivables from customers is NIL at present.

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b. Loans

Composition

Particulars	Carrying amount	
	March 31, 2022	March 31, 2021
Loans to Related parties	0	0
Other Loans and Advances	2,194.20	965.53
Total	2,194.20	965.53

Expected credit losses are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. Because expected credit losses consider the amount and timing of payments, a credit loss arises even if the entity expects to be paid in full but later than when contractually due.The Company measures the expected credit loss of loans based on historical trend, industry practices and the business environment in which the entity operates.

Key components of credit risk assessment

The key components of credit risk assessment are:

- Probability of Default ("PD"): represents the likelihood of default over a defined time horizon.
- Exposure at Default ("EAD"): represents how much the counter-party is likely to be borrowing at the time of default.
- Loss Given Default ("LGD"): represents the proportion of EAD that is likely to be lost post-default.
- The ECL is computed as a product of PD, LGD and EAD.

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Definition and assessment of default

The Company considers the following as constituting an event of default:

- the borrower is past due more than 90 days on any material credit obligation to the Company; or
- the borrower is unlikely to pay its credit obligations to the Company in full.

When assessing if the borrower is unlikely to pay its credit obligation, the Company takes into account both qualitative and quantitative indicators. Quantitative indicator such as overdue status is key inputs in this analysis.
Quantitative indicators such as overdue status and non-payment on another obligation to the Company of the same counterparty are key inputs in this analysis.

Delinquency buckets have been considered as the primary basis for the staging of all loans with:
- 0-30 days past due loans classified as Stage 1
- 31-90 days past due loans classified as Stage 2 and
- Above 90 days past due loans classified as Stage 3

Along with delinquency buckets; the internally developed criteria's to analyse whether there is increase in credit risk or whether the asset is credit impaired are considered for staging of loans.

Grading

March 31, 2022

Grade	Rating	Weighted-average loss rate	Gross Carrying amount	Impairment loss alowance	Credit Impaired
Low to Medium Risk	Unrated	2.00%	1966.83	39.42174	-
Significant increase in credit risk	Unrated	14.67%	312.60	45.85521	-
Credit Impaired	Unrated	100.00%			-
Total			**2,279.43**	**85.28**	

March 31, 2021

Grade	Rating	Weighted-average loss rate	Gross Carrying amount	Impairment loss alowance	Credit Impaired
Low to Medium Risk	Unrated	1.25%	671.80	8.40	-
Significant increase in credit risk	Unrated	30.68%	435.56	133.64	-
Credit Impaired	Unrated	100.00%	-	-	-
Total			**1,107.36**	**142.04**	

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Impairment on financial instruments

The below table show impairment loss on financial instruments charge to statement of profit and loss based on category of financial instrument.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2022
On financial assets measured at amortised cost		
Loans	-	-
Trade receivables	(58.42)	70.28
Total	(58.42)	70.28

c. Cash and cash equivalents and other bank balances

The Company held cash in hand and bank balances in Current Account.

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(Currency: INR in Lakhs)

22 **Financial Instruments (continued)**

iii. Liquidity risk

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

Exposure to liquidity risk

			Contractual cash flows				
Particulars	Carrying amount	Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities-							
Trade and other payables							
March 31, 2022	29.33	29.33		2.29	0.59	26.45	
March 31, 2021	8.76	8.76	8.76				

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign currency rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk isattributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company has no exposure to market risk related to foreign exchange rate risk or interest rate risk.

A. Currency risk

The Company has no foreign currency exposure.

B. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest raterisk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in theinterest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearinginvestments will fluctuate because of fluctuations in the interest rates.

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Notes to Financial Statement for Year ended 31st March 2022

(Currency: INR in Lakhs)

23	**Capital management**
	The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.
	The Company has raised money by way of issuing Equity capital. This instrument, being Equity Capital do not require repayments.
	The company conducts its business from own funds and do not depend on borrowed funds.

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Notes to Financial Statement for Year ended 31st March 2022

(Currency: INR in Lakhs)

24 Tax Reconciliation

The reconciliation of estimated income tax expense at tax rate to income tax expense reported in profit or loss is as follows:

Tax expense

a) Amounts recognised in profit or loss

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Current Income Tax	36.69	20

(b) Reconciliation of effective tax rate

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Profit before tax	**130.49**	**9.46**
Applicable tax Rate	**0.28**	**0.28**
Tax using the Company's tax rate	**36.30**	**2.63**
Tax effect of:		
Effect of expenses/provisions not deductible in determining taxable profit	0.39	(17.37)
Effects of income not considered as taxable on compliance of condition		
Income tax expense recognised in profit and loss	36.69	20.00

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Notes to Financial Statement for Year ended 31st March 2022

(Currency: INR in Lakhs)

25 Related party disclosures

As per Ind AS 24 - "Related Party Disclosures", following disclosure are made:

The disclosure of related party transactions is presented on an aggregate basis for shareholders and companies controlled by shareholders, joint ventures and associates. In addition, there may be additional disclosures of certain significant transactions (balances and turnover) with certain related parties.

Details of related parties

Name of the related party	Relationship
Amar Narendra Gala	Key Management Personnel
Samta Amar Gala	Key Management Personnel
Mehul Gala	Key Management Personnel

a) **The nature and volume of transactions of the Company with the above related parties were as follows:**

Nature of transactions	Year Ended March 31, 2022	Year Ended March 31, 2021
Director's Remuneration		
Amar Narendra Gala	46.50	30.00
Samta Amar Gala	21.90	12.00
Mehul Gala	34.00	30.00
Rent paid		
Amar Narendra Gala	7.20	7.20

b) **Balance outstanding at the end of the year**

Nature of transactions	As at March 31, 2022	As at March 31, 2021
Security Deposit		
Amar Narendra Gala	2	

Notes: 1. There were no guarantee given or security provided during the year to the related parties.
2. All aforesaid transactions are in ordinary course of business and at arm's length basis.

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(Currency: INR in Lakhs)

26 Disclosures pursuant to Reserve Bank of India Guidelines, to the extent applicable to the Company (continued)

Additional Information as per Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 is given below:

A) **Asset Classification**

Particulars	Gross Carrying Amt
(i) Standard assets	2279.48
(ii) Sub-standard assets	0
(iii) Doubtful assets	0
(iv) Loss assets	0

B) Schedule to the Balance Sheet of a non-deposit taking Non-Banking Financial Company (as required by Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016)

		As at 31 March 2022	As at 31 March 2021
	Liabilities side :		
1)	**Loans and advances availed by the non banking financial company inclusive of interest accrued thereon but not paid:**	-	-
	Asset side :		
2)	**Break-up of loans and advances including bills receivables (other than those included in (4) below) :**		
	a) Secured		
	b) Unsecured	2,194.20	965.53
3)	Break up of leased assets and stock on hire and other assets counting towards Asset Financing activities	-	-
4)	Break-up of Investments	-	-

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5) Borrower group-wise classification of assets financed as in (2) and (3) above: Please see Note 1 below

Category	As at 31 March 2022			As at 31 March 2021		
	Amount net of Provision			Amount net of Provision		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
a) Subsidiaries	-	-	-	-	-	-
b) Companies in the same Group	-	-	-	-	-	-
c) Other Related Parties	-	-	-	-	-	-
2. Other than Related Parties		2,194.20	2,194.20		965.53	965.53

6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): Please see Note 2 below:
None

7) **Other Information**

Particulars	As at 31 March 2022	As at 31 March 2021
	Amount	Amount
i) Gross non performing assets (NPAs)*		
a) Related parties		
b) Other than related parties	0	435.56
ii) Net non performing assets (NPAs)*		
a) Related parties		
b) Other than related parties	0	301.92
iii) Assets acquired in satisfaction of debt		

* NPAs presented above reflect credit impaired assets as per Ind AS which includes restructured assets classified as Stage 3.

Notes:

1. Provisioning norms shall be applicable as prescribed in Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

2. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

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Notes to Financial Statement for Year ended 31st March 2022

(Currency: INR in Lakhs)

27 **Additional Disclosure pursuant to Reserve Bank of India notification DNBR (PD) CC. No.029/03.10.001/2014-15 dated 10 April 2015**

a) **Movement of Credit impaired loans under Ind-AS - None**

b) **Movement of impairment loss allowance for low credit risk loans and significant increase in credit risk loans**

Particulars	31-Mar-22	31-Mar-21
Opening Balance	142.04	71.76
Net Additions/ (Reductions) during the year	(58.42)	70.28
Closing Balance	**83.62**	**142.04**

d) **Sector-wise distribution of credit impaired loans - None**

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Notes to Financial Statement for Year ended 31st March 2022

(Currency: INR In Lakhs)

28 **Disclosures pursuant to Reserve Bank of India Guidelines, to the extent applicable to the Company (continued)**

Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109 /22.10.106/2019-20dated 13 March 2020

As at 31 March 2022

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)
Performing Assets						
Standard	Stage 1	1,966.83	39.42	1,927.41	4.92	34.50
	Stage 2	312.60	45.86	266.74	0.78	45.07
Subtotal		2,279.43	85.28	2,194.16	5.70	79.58
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current	Stage 1					
	Stage 2					
	Stage 3					
Subtotal						
Total	Stage 1	1,966.83	39.42	1,927.41	4.92	34.50
	Stage 2	312.60	45.86	266.74	0.78	45.07
	Stage 3	-	-	-	-	-
	Total	2,279.43	85.28	2,194.16	5.70	79.58

Sambhavat Jain & Associates LLP Chartered Accountants Firm Regn. No. (109681W)

As at 31 March 2021

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)
Performing Assets						
Standard	Stage 1	671.80	8.40	663.50	1.68	6.72
	Stage 2	135.40	16.58	118.83	0.34	16.24
Subtotal		807.20	24.97	782.33	2.02	22.95
Non-Performing Assets (NPA)						
Substandard	Stage 3	300.16	117.06	183.09	30.02	87.05
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		300.16	117.06	183.09	30.02	87.05
Loss	Stage 3					
Subtotal for NPA		300.16	117.06	183.09	30.02	87.05
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	671.80	8.40	663.50	1.68	6.72
	Stage 2	135.40	16.58	118.83	0.34	16.24
	Stage 3	300.16	117.06	183.09	30.02	87.05
	Total	1,107.36	142.04	965.32	32.03	110.00

Firm Regn. No. (109681W) Chartered Accountants

ENBEE TRADE AND FINANCE LIMITED

Notes to Financial Statement for Year ended 31st March 2022

(Currency: INR in Lakhs)

29 There were no incidents of frauds reported to RBI during the current year and the previous year.

30 The Company does not have any contingent liabilities or other commitments as on the balance sheet date.

31 **Dues to micro and small suppliers**

Particulars	31-03-2022	31-03-2021
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
Principal	5.46	4.74
Interest	-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
Total	5.46	4.74

sambhavat jain & associates LLP Firm Regn. No. (109681W) Chartered Accountants

Disclosure of outstanding dues of MSME is based on information available with company regarding status of suppliers as defined under MSME Act, 2006 and had been relied upon by auditors. There is undisputed amount as on 31st March, 2022, to micro and Small and Medium enterprises on account of principle or interest. Outstanding pertaining to dues payable to MSME entities neither includes any interest payable nor any interest accrued on such payables.

32 Value of Imports- Rs. NIL

33 Dividends proposed to be distributed for the equity shareholders for the year ended March 31, 2022 is Rs.NIL

34 **Payment to Statutory Auditors**

During the year, the Company made following payments to statutory auditors:

Particulars	31-03-2022	31-03-2021
Statutory Audit	3.60	3.00
Other services	3.33	1.57
Reimbursements		-
Total	6.93	4.57

The above disclosed figures are excluding Goods and Service Tax.

35 **Segment Reporting**

Based on the Chief Operating Decision Maker (CODM) assessment of business constituted is as follow :-

A) General information - The Company operates in a single segment

The Company's Chairman and Managing Director have been identified as the Chief Operating Decision Maker. The CODM examines the Company's performance on an overall level. The Company has only one reportable segment i.e. 'wholesale financing' . The Company does not have any operations outside India and hence there are no reportable geographical segments.

B) Geographic information

The Company's major operations are in single geographical location, i.e. India.

The segment revenue, segment results, total carrying value of segment assets and segment liabilities, total costs incurred to acquire segment assets, total amount of charge of depreciation during the period are all reflected in the Financial Statements.

C) Information about major customers

In FY 2020-21 revenue from 3 customers accounted for Rs 51.20 Lakhs and in FY 2021-212 revenue from 4 customers accounted for Rs. 103.19, which contributed more than 10% of the total revenue earned during the year.

36 Analytical Ratios

CRAR Ratio and Liquidity Risk Coverage Ratio are not applicable as per RBI circular

37 Events after the reporting period

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

38 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date attached

For Ambavat Jain & Associates LLP

Chartered Accountants

Firm's Registration No.: 109681W

Chirag Shah

Partner

Membership No. : 125997

Mumbai : 30th May, 2022

UDIN : 22125997AJWUNW1819

For and on behalf of the Board of Directors of

Enbee Trade and Finance Limited

Managing Director

Mumbai : 30th May, 2022

Chief Financial Officer

Mumbai : 30th May, 2022

Ruchika Kabra - Company Secretary

Mem No : 67295

MATERIAL DEVELOPMENTS

Except as stated in this Letter of Offer and as disclosed below, to our knowledge, no circumstances have arisen since December 31, 2022, which materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities:

- The Board of Directors of our Company in their meeting held on February 13, 2023 has approved an increase in the authorized share capital of our Company from ₹ 2,00,00,000/- divided into 20,00,000 Equity Shares of ₹ 10/- each to ₹ 34,00,00,000 divided into 3,40,00,000 Equity Shares of ₹ 10/- each, subject to the approval of the Shareholders in the ensuing Extra Ordinary General Meeting scheduled to be held on March 22, 2023.

- The Shareholders of our Company in the Extra-ordinary General Meeting held on March 22, 2023 approved the (i) increase in the authorized share capital of our Company from ₹ 2,00,00,000/- divided into 20,00,000 Equity Shares of ₹ 10/- each to ₹ 34,00,00,000 divided into 3,40,00,000 Equity Shares of ₹ 10/- each; and (ii) re-appointment of Ssamta Amar Gaala as the Whole-time Director of our Company for a period of five (05) years with effect from February 27, 2023; and

- The Rights Issue Committee of our Board of Directors in its meeting held on May 4, 2023 approved an increase in the size of the Rights Issue which was disclosed in the Draft Letter of Offer, from an amount aggregating upto ₹ 4,800 Lakhs to an amount aggregating upto ₹ 4,800.15 lakhs. The revised size of the Issue is within the limit approved by the Board of Directors in their meeting held on January 12, 2023 and is within the limits prescribed under Schedule XVI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

ACCOUNTING RATIOS

Unless context requires otherwise, the following tables present certain accounting and other ratios derived from the relevant Audited Financial Statements and Unaudited Financial Results, as applicable. For details see "*Financial Statements*" on page 68 of this Letter of Offer.

(₹ in lakhs)

Particulars	For nine months period ended December 31, 2022	For the year ended	
		31-03-2022	31-03-2021
Basic and Diluted Earnings Per Share (Rs.)			
Basic Earnings Per Share (Basic EPS)			
Net profit / (loss) after tax, attributable to equity shareholders	154.93	94.19	6.83
Weighted average number of Equity Shares outstanding	16.0005	16.0005	16.0005
Basic EPS in Rs.	9.68	5.89	0.43
Face value in Rs.	10	10	10
Diluted Earnings Per Share (Diluted EPS)			
Net profit / (loss) after tax, as attributable to equity shareholders	154.93	94.19	6.83
Weighted average number of shares considered for calculating Diluted EPS	16.0005	16.0005	16.0005
Diluted EPS in Rs.	9.68	5.89	0.43
Face value in Rs.	10	10	10
Net Asset Value Per Equity Share (Rs.)			
Net Asset Value (Net-worth)	3654.49	2229.23	1011.32
Number of equity shares outstanding outstanding at the year end	16.0005	16.0005	16.0005
Number of adjusted equity shares outstanding at the year end	16.0005	16.0005	16.0005
Net Assets Value per equity share (Rs.)	228.39	139.32	63.21
Return on Net worth			
Net Profit / (loss) after tax	154.93	94.19	6.83
Net worth	1159.05	996.57	902.38
Return on net worth	0.13	0.09	0.01
EBITDA			
Profit / (loss) after tax (A)	154.93	94.19	6.83
Income tax expense (B)	45.98	36.30	2.63
Finance costs (C)	82.12	40.92	3.17
Depreciation and amortization expense (D)	3.49	4.40	4.43
EBITDA (A+B+C+D)	286.52	175.81	17.06

The ratios have been computed as per the following formulae:

(i) Basic and Diluted Earnings per Share

$$\frac{\text{Net Profit after tax, as attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$$

(ii) Net Assets Value (NAV)

$$\frac{\text{Net Asset Value, at the end of the year}}{\text{Number of equity shares outstanding at the end of the year}}$$

Particulars	For nine months period ended December 31, 2022	For the year ended	
		31-03-2022	31-03-2021

(iii) Return on Net worth (%)

$$\frac{\text{Net Profit after tax, as attributable to equity share holders}}{\text{Net worth (excluding revaluation reserve), at the end of the year}}$$

Net-worth (excluding revaluation reserve), means the aggregate value of the paid-up share capital (including shares pending allotment) and securities premium account, after adding surplus in Statement of Profit and Loss.

(iv) EBITDA

Profit/(loss) after tax for the period adjusted for income tax, expense, finance costs, depreciation and amortization expense, as presented in the standalone statement of profit and loss.

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

The following discussion of our financial condition and results of operations should be read in conjunction with the "Financial Information" beginning on page 68 of this Letter of Offer. Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward looking statements that involve risks and uncertainties. You should also read "Risk Factors" and "Forward Looking Statements" beginning on page 20 and 16, respectively, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.
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 following year, so all references to a particular Financial Year or Fiscal are to the twelve months ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Enbee Trade & Finance Limited, our Company.

Unless otherwise indicated, financial information included herein are based on our Audited Financial Statements for Fiscal 2022, Fiscal 2021 and Fiscal 2020 respectively and Unaudited Financial Results for the quarter ended December 2022.

OVERVIEW OF OUR BUSINESS

We are a Non Deposit taking Non-Banking Financial Company (NBFC) registered with RBI to carry on the NBFC activities under Section 45IA of the Reserve Bank of India Act, 1934 bearing Registration no. 13.00691 dated April 20, 1998. As the Company has been granted NBFC License by RBI, the Company's business model is mainly centered on Loan activities i.e. granting of unsecured loans to body corporates and individuals. We need financial resources to fuel the growing demand and to seize the opportunities presented by the market from time to time. We have been in the business for the last 25 years. There are no holding as well as subsidiary company.
We work under the guidance of our Chairman and Managing Director, Amarr Narendra Galla, who has knowledge in the field of financing activities and has been associated with our Company since 2015. He has been instrumental in evolving our business operations, growth and future prospects.
Our standalone revenues from operations for Fiscals 2022, 2021 and 2020 were ₹ 363.71 lakhs, ₹ 195.39 lakhs and ₹ 85.95 lakhs respectively. Our standalone EBITDA for the Fiscals 2022, 2021 and 2020 were ₹ 175.81 lakhs, ₹ 17.06 lakhs and ₹ (55.08) lakhs, respectively. Our standalone profit after tax for Fiscals 2022, 2021 and 2020 were ₹ 94.19 lakhs, ₹ 6.83 lakhs and ₹ (47.85) lakhs respectively.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

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

- Any adverse changes in central or state government policies;
- Any adverse development that may affect our operations in Maharashtra;
- Any qualifications or other observations made by our statutory auditors which may affect our results of operations;
- Loss of one or more of our key customers and/or suppliers;
- An increase in the productivity and overall efficiency of our competitors;
- Our ability to maintain and enhance our brand image;
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in technology and our ability to manage any disruption or failure of our technology systems;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Occurrences of natural disasters or calamities affecting the areas in which we have operations;
- Market fluctuations and industry dynamics beyond our control;

- Our ability to compete effectively, particularly in new markets and businesses;
- Changes in foreign exchange rates or other rates or prices;
- Inability to collect our dues and receivables from, or invoice our unbilled services to, our customers, our results of operations;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of interest with our Individual Promoter, Promoter Group and other related parties;
- Changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry;
- Termination of customer contracts without cause and with little or no notice or penalty; and
- Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or noncompliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Financial Statements. For details of our significant accounting policies, please refer section titled "*Financial Information*" on page 68.

CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

Except as mentioned in chapter "*Financial Information*" on page 68, there has been no change in accounting policies in last 3 years.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

The Auditor has not given any reservation, qualification and adverse remarks on the financial statements of the Company. For details, see section titled "*Financial Information*" on page 68 of this Letter of Offer.

Principal components of our statement of profit and loss account Revenue

The following descriptions set forth information with respect to the key components of the Standalone Financial Statements.

Total income

Our revenue comprises of:

Revenue from operations

Our revenue from operations is predominantly from interest receipts from loans.

Other Income

Other income comprises of Finance Income - Lease Deposit.

Expenses

Our expenses primarily comprise of Finance Cost, Impairment of Financial Instrument, Employee Benefits Expense, Depreciation and amortization and other expenses.

Finance Cost

Finance cost comprises of Interest and Finance Cost on Leases.

Employee Benefits Expense

Employee benefit expense consists of salaries and wages.

Depreciation and amortization

Depreciation and amortization expense comprises of depreciation/amortization on property, plant and equipment and intangible assets.

Other expenses

Other expenses comprises of Auditors Remuneration, Electricity Expenses, Legal and Professional Fees, Printing and Stationery, Rates and Taxes and License Fees, Renewal Fees, ROC Expenses, Penalties, Other Miscellaneous Expenditure.

Tax expenses

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax liability or asset is recognized based on the difference between taxable profit and book profit due to the effect of timing differences and treatment of expenses. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted as at the relevant balance sheet date.

Results of our Operations

The following table sets forth, for the periods indicated, certain items from our financial statements, in each case also stated as a percentage of our total income:

(₹ in lakhs)

Particular	2022	Percentage of total income (%)	2021	Percentage of total income (%)	2020	Percentage of total income (%)
INCOME						
Revenue from Operations	0.00	0.00%	0.00	0.00%	0.00	0.00%
Interest Income	363.71	99.93%	195.39	99.88%	85.95	99.63%
Other Income	0.27	0.07%	0.23	0.12%	0.32	0.37%
Total Income (A)	**363.98**	**100.00%**	**195.62**	**100.00%**	**86.27**	**100.00%**
EXPENDITURE						
Finance costs	40.92	11.24%	3.17	1.62%	2.74	3.18%
Impairment of Financial Instrument (ECL)	(58.42)	(16.05%)	70.28	35.93%	67.52	78.27%
Employee benefit expenses	177.77	48.84%	92.48	47.28%	59.76	69.27%
Depreciation and amortisation expense	4.40	1.21%	4.43	2.26%	4.94	5.73%
Other Expenses	68.82	18.91%	15.80	8.08%	14.07	16.31%
Total Expenses (B)	**233.49**	**64.15%**	**186.16**	**95.16%**	**149.03**	**172.75%**
Profit before tax	**130.49**	**35.85%**	**9.46**	**4.84%**	**(62.76)**	**(72.75%)**
Tax expense :						
(i) Current tax	36.69	10.08%	20.00	10.22%	2.72	3.15%
(ii) Deferred tax	(0.39)	(0.11%)	(17.37)	(8.88%)	(17.63)	(20.44%)
Total Tax Expense	**36.30**	**9.97%**	**2.63**	**1.34%**	**(14.91)**	**(17.28%)**
Profit for the year	**94.19**	**25.88%**	**6.83**	**3.49%**	**(47.85)**	**(55.47%)**
Other Comprehensive Income						
Items that will not be reclassified to profit or loss	0.00	0.00%	0.00	0.00%	0.00	0.00%
Items that will be reclassified to profit or loss	0.00	0.00%	0.00	0.00%	0.00	0.00%
Other comprehensive income for the year, net of tax	**0.00**	**0.00%**	**0.00**	**0.00%**	**0.00**	**0.00%**
Total comprehensive income for the year	**94.19**	**25.88%**	**6.83**	**3.49%**	**(47.85)**	**(55.47%)**

Comparison of Historical Results of Operations
Fiscal 2022 compared to Fiscal 2021

Total Income

Our total revenue for Fiscal 2022 was ₹ 363.98 lakhs as compared to ₹ 195.62 lakhs for the Fiscal 2021, representing an increase of 86.06%. The increase in total revenue was primarily due to increase in our Interest Income on Loans.

Total revenue comprises of:

Revenue

Revenue from operations from interest income

Our revenue from operations from interest income for the Fiscal 2022 was ₹ 363.71 lakhs as compared to ₹ 195.39 lakhs for the Fiscal 2021, representing an increase of 86.15%. The increase in revenue was primarily due to increase in our Interest Income on Loans.

Other income

Our other income for the Fiscal 2022 was ₹ 0.27 lakhs as compared to ₹ 0.23 lakhs for the Fiscal 2021, representing an increase of 17.39%. The increase in other income was primarily due to Finance Income of Lease Deposit.

Expenditure

Our total expenditure for the Fiscal 2022 was ₹ 233.49 lakhs as compared to ₹ 186.16 lakhs for the Fiscal 2021, representing an increase of 25.42%.

Finance Cost

Finance cost for the Fiscal 2022 was ₹ 40.92 Lakhs as compared to ₹ 3.17 Lakhs for the Fiscal 2021 representing an increase of 1190.85%.

The interest expense increased by ₹ 37.29 lakhs in the Fiscal 2022. The increase is due to increase in loans and borrowings. Further, the Finance Cost on Leases increased by ₹ 3.63 lakhs in the Fiscal 2022 compared to ₹ 3.17 lakhs in the Fiscal 2022 representing an increase of 14.51%

Impairment of Financial Instrument

Impairment of Financial Instrument for the Fiscal 2022 was ₹ (58.42) Lakhs as compared to ₹ 70.28 Lakhs for the Fiscal 2021 representing a decrease of (183.12%) due to reduction of probability Expected Credit Loss under IND AS.

Employee Benefits Expense

Our employee benefit expenses for the Fiscal 2022 was ₹ 177.77 lakhs as compared to ₹ 92.48 lakhs for the Fiscal 2021, representing an increase of 92.23%. The increase in Employee Benefits Expense was primarily due to increase in salaries and wages.

Depreciation and amortization

Our depreciation and amortization expenses for the Fiscal 2022 was ₹ 4.40 lakhs as compared to ₹ 4.43 lakhs for the Fiscal 2021, representing a decrease of 0.68%. The decrease is due to depreciation is on WDV method, which reduces every year as WDV cost reduces. Since there has been no addition in assets, depreciation has not increased.

Other expenses

Our other expenses for the Fiscal 2022 was ₹ 68.82 lakhs as compared to ₹ 15.80 lakhs for the Fiscal 2021, representing an increase of 335.57%. The increase is primarily due to the increase Legal & Professional Fees, Rates & Taxes and License Fees, ROC Expenses and Penalties.

Profit/Loss before Tax

The profit/(loss) before tax for the Fiscal 2022 was ₹ 130.49 lakhs as compared to ₹ 9.46 lakhs for the Fiscal 2021, representing an increase of 1279.39%. The increase in profit/(loss) before tax was due to the Interest Income.

Taxation

Total tax expense for the Fiscal 2022 ₹ 36.30 lakhs as compared to ₹ 2.63 lakhs for the Fiscal 2021, representing an increase of 1280.29%. The increase is due to increase in net income.

Profit/Loss after Tax

As a result of the aforesaid, Our Company earned a profit for the year on a basis for the Fiscal 2022 of ₹ 94.19 lakhs as compared to ₹ 6.83 lakhs for the Fiscal 2021, representing an increase of 1279.06%.

Fiscal 2021 compared to Fiscal 2020

Total Income

Our total revenue for Fiscal 2021 was ₹ 195.62 lakhs as compared to ₹ 86.27 lakhs for the Fiscal 2020, representing an increase of 126.75%. The increase in total revenue was primarily due to Interest Income on Loans.

Total revenue comprises of:

Revenue

Revenue from operations from interest income

Our revenue from operations from interest income for the Fiscal 2021 was ₹ 195.39 Lakhs as compared to ₹ 85.95 Lakhs for the Fiscal 2020, representing an increase of 127.33%.The increase is primarily due to increase in Interest Income.

Other income

Our other income for the Fiscal 2021 was ₹ 0.23 lakhs as compared to ₹ 0.32 lakhs for the Fiscal 2020, representing a decrease of (28.13%). The decrease in other income was primarily due to interest on Income Tax Refund which was appearing in the year 2020.

Expenditure

Our total expenditure for the Fiscal 2021 was ₹ 186.16 lakhs as compared to ₹ 149.03 lakhs for the Fiscal 2020, representing an increase of 24.91%.

Finance Cost

Finance cost for the Fiscal 2021 was ₹ 3.17 Lakhs as compared to ₹ 2.74 Lakhs for the Fiscal 2020 representing an increase of 15.69%.

Impairment of Financial Instrument

Impairment of Financial Instrument cost for the Fiscal 2021 was ₹ 70.28 lakhs as compared to ₹ 67.52 lakhs for the Fiscal 2020 representing an increase of 4.09%.

Employee Benefits Expense

Our employee benefit expenses for the Fiscal 2021 was ₹ 92.48 lakhs as compared to ₹ 59.76 lakhs for the Fiscal 2020, representing an increase of 54.75%. The increase in Employee Benefits Expense was primarily due to increase in salaries and wages.

Depreciation and amortization

Our depreciation and amortization expenses for the Fiscal 2021 was ₹ 4.43 Lakhs as compared to ₹ 4.94 Lakhs for the Fiscal 2020, representing a decrease of (10.32%). The decrease is due to depreciation is on WDV method, which reduces every year as WDV cost reduces. Since there has been no addition in assets, depreciation has not increased.

Other expenses

Our other expenses for the Fiscal 2021 was ₹ 15.80 lakhs as compared to ₹ 14.07 lakhs for the Fiscal 2020, representing an increase of 12.30%. The increase was primarily due to the increase in Legal and Professional Fees, Rates and Taxes and License Fees, ROC Expenses, Penalties and Other Miscellaneous Expenditure.

Profit/Loss before Tax

The profit/(loss) before tax for the Fiscal 2021 of ₹ 9.46 Lakhs as compared to ₹ (62.76) Lakhs for the Fiscal 2020, representing an increase of 115.07%. The increase in profit before tax was due to increase in interest income on loans.

Taxation

Total tax expense for the Fiscal 2021 ₹ 2.63 Lakhs as compared to ₹ (14.91) Lakhs for the Fiscal 2020, representing an increase of 117.64%.

Profit/Loss after Tax

As a result of the aforesaid, Our Company earned a profit for the year on a basis for the Fiscal 2021 of ₹ 6.83 Lakhs as compared to a Loss of ₹ (47.85) Lakhs for the Fiscal 2020, representing an increase of 114.27%.

Nine month ended December 31, 2022 compared with Nine month ended December 31, 2021

(₹ in lakhs)

Particulars	Nine months ended December 31, 2022 (Standalone)		Nine months ended December 31, 2021 (Standalone)	
	Amount	Percentage of Total Revenue (%)	Amount	Percentage of Total Revenue (%)
Revenue from Operations				
Interest Income	551.08	100.00	232.41	100.00
Finance Income	0	0.00	0	0.00
Other Income	0	0.00	0	0.00
Total Revenue (A)	**551.08**	**100.00**	**232.41**	**100.00**
EXPENSES				
Finance costs	82.12	14.90	10.50	4.52
Impairment of Financial Instrument (ECL)	89.82	16.30	0	0.00
Employee benefit expenses	160.00	29.03	127.20	54.73
Depreciation, Amortisation, Impairment	3.49	0.63	0.01	0.00
Other Expenses	14.74	2.67	23.93	10.30
Total Expenses (B)	**350.17**	**63.54**	**161.64**	**69.55**
Profit before tax	**200.91**	**36.46**	**70.77**	**30.45**
Tax expense :				
(i) Current tax	46.11	8.37	30.28	13.03
(ii) Deferred tax	(0.13)	(0.02)	(0.02)	(0.01)
Total Tax Expense	**45.98**	**8.34**	**30.26**	**13.02**
Profit for the year	**154.93**	**28.11**	**40.51**	**17.43**
Other Comprehensive Income				
Other comprehensive income for the year, net of tax	0	0.00	0	0.00
Total comprehensive income for the year	**154.93**	**28.11**	**40.51**	**17.43**

Total Revenue

Our total revenue for Nine months ended December 31, 2022 was ₹ 551.08 lakhs as compared to ₹ 232.41 lakhs for the Nine months ended December 31, 2021, representing an increase of 137.11 %. The increase in total revenue was primarily due to increase in interest income.

Total revenue comprises of:

Revenue

Revenue from operations from interest income

Our revenue from operations from interest income for the Nine months ended December 31, 2022 was ₹ 551.08 lakhs as compared to ₹ 232.41 lakhs for the Nine months ended December 31, 2021, representing an increase of 137.11 %. This is primarily due to increase in interest income.

Other income

Our other income for the Nine month ended December 31, 2022 and for December 31, 2021 is NIL.

Expenditure

Our total expenditure for the Nine months ended December 31, 2022 was ₹ 350.17 lakhs as compared to ₹ 161.64 lakhs for the Nine months ended December 31, 2021, representing an increase of 116.63%.

Finance Cost

Finance cost for the Nine months ended December 31, 2022 was ₹ 82.12 lakhs as compared to ₹ 10.50 lakhs for the Nine months ended December 31, 2021 representing an increase of 682.09%. The increase in Finance cost is primarily due to increase in loans and borrowings resulting in increase in interest expense.

Impairment of Financial Instrument

Impairment of Financial Instrument for the Nine months ended December 31, 2022 was ₹ 89.82 lakhs as compared to ₹ Nil for the Nine months ended December 31, 2021.

Employee Benefits Expense

Our employee benefit expenses for the Nine months ended December 31, 2022 was ₹ 160.00 lakhs as compared to ₹ 127.20 lakhs for the Nine months ended December 31, 2021, representing an increase of 25.78%. The increase in Employee Benefits Expense was primarily due to increase in yearly salary increment of employees and Directors.

Depreciation and amortization

Our depreciation and amortization expenses for the Nine months ended December 31, 2022 was ₹ 3.49 lakhs as compared to ₹ 0.01 lakhs for the Nine months ended December 31, 2021, representing an increase of 34,800%. The increase is due to the depreciation is on WDV method, which reduces every year as WDV cost reduces. Since there has been no addition in assets, depreciation has not increased.

Other expenses

Our other expenses for the Nine months ended December 31, 2022 was ₹ 14.74 lakhs as compared to ₹ 23.93 lakhs for the Nine months ended December 31, 2021, representing a decrease of 38.40%. The decrease is primarily due to certain expenditure like professional fees and listing fees not accrued till date.

Profit/Loss before Tax

The profit before tax for the Nine months ended December 31, 2022 is ₹ 200.91 lakhs as compared to ₹ 70.77 lakhs for the Nine months ended December 31, 2021, representing an increase of 183.89%. The increase in profit before tax is due to increase in interest income which is result of increase in loans and Advances given.

Taxation

Total tax expense for the Nine month ended December 31, 2022 ₹ 45.98 lakhs as compared to ₹ 30.26 lakhs for the Nine months ended December 31, 2021, representing an increase of 51.94 %. The increase was due to increase in net income.

Profit/Loss after Tax

As a result of the aforesaid, Our Company earned a profit for the year on a basis for the Nine months ended December 31, 2022 of ₹ 154.93 lakhs as compared to ₹ 40.51 lakhs for the Nine months ended December 31, 2021, representing an increase of 282.44%. The increase was due to increase in Interest income and reduction of certain expenditures.

CASH FLOWS

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

(in ₹ lakhs)

Particulars	Fiscal 2022	Fiscal 2021	Fiscal 2020
Net (loss) / profit before tax	130.49	9.46	(62.76)
Net cash from/ (used in) operating activities	(1,202.08)	1.74	11.95
Net cash from/ (used in) investing activities	(0.01)	(0.02)	(12.69)
Net cash from financing activities	1,085.30	0.00	0.00
Net increase/ (decrease) in cash and cash equivalents	**0.87**	**1.72**	**(0.74)**
Cash and cash equivalents at the beginning of the year/period	3.49	1.77	2.50
Cash and cash equivalents at year/period end	**4.36**	**3.49**	**1.77**

Operating activities

Operating activities comprise of profit/(loss) for the year before interest, depreciation and finance charges, changes in working capital and further adjustment of non-cash items.

Net cash used in operating activities for the period ended March 31, 2022 was ₹ (1,202.08) lakhs as compared to the Net Profit before tax of ₹ 130.49 lakhs for the same period. This difference is primarily due to adjustment for decrease trade receivable, decrease in Loans and Advances and Increase in Current Liabilities.

Net cash generated from operating activities for the period ended March 31, 2021 was ₹ 1.74 lakhs as compared to the Net Profit before tax of ₹ 9.46 lakhs for the same period. This difference is primarily due to adjustment for decrease trade receivable, decrease in Loans and Advances and Increase in Current Liabilities.

Net cash generated from operating activities for the period ended March 31, 2020 was ₹ 11.95 Lakhs as compared to the Net Loss before tax of ₹ (62.76) Lakhs for the same period. This difference is primarily due to decrease in Loans and Advances and Increase in Current Liabilities.

Investing activities

Investing activities comprises of purchase of fixed assets/ Recognition of ROU Asset.

Net cash used in investing activities for period ended March 31, 2022 was ₹ (0.01) Lakhs. This was predominantly on account of Purchase of Fixed assets/Recognition of ROU Assets.

Net cash used in investing activities for period ended March 31, 2021 was ₹ (0.02) Lakhs. This was mainly on account of Purchase of Fixed assets/Recognition of ROU Assets.

Net cash used in investing activities for period ended March 31, 2020 was ₹ (12.69) Lakhs. This was mainly on account of Purchase of Fixed assets/Recognition of ROU Assets.

Financing activities

Financing activities comprises of Cash Flow from borrowings & other Financial Liabilities.

Net cash generated from financing activities for period ended March 31, 2022 was ₹ 1,085.30 Lakhs. This was on predominantly account of Cash flow from borrowings and other Financial Liabilities.

Net cash used or generated from in financing activities for period ended March 31, 2021 was Nil.

Net cash used in or generated from financing activities for period ended March 31, 2020 was Nil.

Contingent Liabilities

The Company does not have any contingent liabilities or other commitments as on the balance sheet date.

Off-Balance Sheet Arrangements

We do not have any other off-balance sheet arrangements or other relationships with unconsolidated entities, such as special purpose vehicles, that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Market risk is the risk of loss related to adverse changes in the market prices, including interest rate risk, foreign exchange risk, credit risk and inflation risk. Our principal market risks are equity price risk, foreign exchange risk, interest rate risk and credit risk.

Total Debt

For details of our borrowings, please see section titled "*Financial Information*" on page 68 of this Letter of Offer.

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in the section titled "*Risk Factors*" and chapter titled "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" beginning on pages 20 and 110, respectively, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

Unusual or Infrequent Events or Transactions

Except as described elsewhere in this Letter of Offer, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant economic/regulatory changes

Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company's operations or are likely to affect income except as mentioned in the section titled "*Risk Factors*" on page 20.

Except as disclosed in this Letter of Offer, to our knowledge, there are no significant regulatory changes that materially affected or are likely to affect our income from continuing operations.

Expected future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known

Other than as described in the section titled "*Risk Factors*" and chapter titled "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" beginning on pages 20 and 110, respectively, and elsewhere in this Letter of Offer, there are no known factors to our knowledge which would have a material

adverse impact on the relationship between costs and income of our Company. Our Company's future costs and revenues will be determined by demand/supply situation and government policies.

The extent to which material increases in net revenue are due to increased sales volume, introduction of new products or services or increased sales prices

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

Competitive Conditions

We expect competition in the sector from existing and potential competitors to vary. However, on account of our core strengths like customer relationship management, active price negotiations and effective machine availability, we are able to stay competitive. For further details, kindly refer the chapter titled "*Our Business*" beginning on page 63.

Total Turnover of Each Major Business Segment

We currently operate in one business segment i.e. Financial Services Industry.

New Product or Business Segment

Except as disclosed in "Our Business" on page 63, we have not announced and do not expect to announce in the near future any new products or business segments.

Seasonality of Business

Our Company's business is not seasonal in nature.

Significant dependence on a Single or Few Suppliers or Customers

Other than as described in this Letter of Offer, particularly in sections "*Risk Factors*" on page 20, to our knowledge, there is no significant dependence on a single or few customers or suppliers.

Related party transactions

The details of Related Party Transactions for financial year 2021-22, 2021-20 and 2019-20 on standalone basis, please see the "Related Party Disclosure" in section titled "*Financial Information*" at page 68 of this Letter of Offer.

Significant Developments since last balance sheet date

Except as disclosed above and in this Letter of Offer, including under "*Our Business*" and "*Risk Factors*" on pages 63 and 20 respectively, to our knowledge no circumstances have arisen since December 31, 2022, the date of the last financial information disclosed in this Letter of Offer which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND DEFAULTS

Our Company is involved in certain legal proceedings from time to time, which are primarily in the nature of tax disputes, criminal complaints, civil suits, and petitions pending before various authorities. Except as disclosed below, there is no outstanding litigation with respect to (i) issues of moral turpitude or criminal liability on the part of our Company; (ii) material violations of statutory regulations by our Company; (iii) economic offences where proceedings have been initiated against our Company; (iv) any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position; and (v) other litigation involving our Company, including civil or tax litigation proceedings, which involves an amount in excess of the Materiality Threshold (as defined below) or is otherwise material in terms of the Materiality Policy.

*For the purpose of (v) above, as per the materiality policy in accordance with our Company's 'Policy on determination of materiality of events' framed in accordance with Regulation 30 of the SEBI Listing Regulations, the materiality threshold considered is ₹ 103.74 lakhs (being 10% of Net Worth for Fiscal 2022) or above; and (ii) any other litigation involving our Company which may be considered material by our Company for the purposes of disclosure in this section of this Letter of Offer ("**Materiality Threshold**").*

Litigations involving our Company

Proceedings involving issues of moral turpitude or criminal liability on the part of our Company

Nil

Proceedings involving material violations of statutory regulations by our Company

a) An order dated August 31, 2018 was passed by the Adjudicating Officer ("**AO**") of the Securitas and Exchange Board of India ("**SEBI**") imposing a penalty of ₹ 1.00 lakh, each, on our Company, our Promoter, Amarr Narendra Galla, our Whole-time Director, Ssamta Amar Gaala and members forming part of our Promoter Group, namely, Bharathi N. Gala and Bharat T Mamania. The penalty was imposed on our Promoter, Whole-time Director and members forming part of our Promoter Group, on account of failing to comply with Regulation 7(1)(b) of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended and on our Company, for failing to comply with Regulation 7(2)(a) of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended. Our Company, our Promoter, Whole-time Director and members forming part of our Promoter Group paid the aforementioned penalty on October 11, 2018.

b) Our Company failed to comply with certain provisions of SEBI Listing Regulations and therefore the following fines were imposed by BSE Limited on our Company:

(in ₹)

S. No.	Particulars of non-compliance	Amount of fine imposed	Date of payment of fine
1.	Failure to appoint a company secretary and compliance officer during the quarter ended September 30, 2020 under the SEBI Listing Regulations	70,800	May 21, 2021
2.	Failure to submit financial results for the quarter ended March 31, 2020 under Regulation 33 of the SEBI Listing Regulations^	The fine imposed on our Company was waiver pursuant to an email dated January 25, 2021 received from BSE. The waiver was granted in view of the COVID-19 pandemic.	-

Economic offences where proceedings have been initiated against our Company

Nil

Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company

Nil

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has obtained necessary consents, licenses, permissions and approvals from governmental and regulatory authorities that are material for carrying on our present business activities. Some of the approvals and licenses that our Company requires for our business operations may expire in the ordinary course of business, and our Company will apply for the renewal from time to time.

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, please refer to the chapter titled "*Objects of the Issue*" at page 48 of this Letter of Offer.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board of Directors in its meeting dated January 12, 2023 read with resolution passed by our Board on December 24, 2021 and the resolution passed in the meeting of the Rights Issue Committee held on May 4, 2023, has authorised this Issue under Section 62(1) (a) of the Companies Act, 2013.

The Rights Issue Committee of our Board of Directors has, at its meeting held on May 4, 2023, determined the Issue Price as ₹ 15/- per Rights Equity Share in consultation with the Lead Manager, and the Rights Entitlement as twenty (20) Rights Equity Shares for every one (01) fully paid-up Equity Share held on the Record Date i.e., Wednesday, May 10, 2023.

Our Company has received 'in-principle' approvals for listing of the Rights Equity Shares to be Allotted pursuant to Regulation 28 of SEBI Listing Regulations, *vide* letter dated April 19, 2023 issued by BSE for listing of the Rights Equity Shares to be Allotted pursuant to the Issue. Our Company will also make application to BSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN INE993I20011 for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Equity Shareholders of our Company. For details, see "*Terms of the Issue*" on page 128 of this Letter of Offer.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoter, our Directors, the members of our Promoter Group and persons in control of our Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Letter of Offer.

Further, our Promoter and our Directors are not promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. None of our Directors or Promoter are associated with the securities market in any manner. There is no outstanding action initiated against them by SEBI in the five years preceding the date of filing of this Letter of Offer.

Neither our Promoter nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

Prohibition by RBI

Neither our Company, nor our Promoter, and Directors have been categorized or identified as wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoter and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Letter of Offer.

Eligibility for the Issue

Our Company is a listed company, incorporated under Companies Act, 1956. The Equity Shares of our Company are presently listed on BSE. We are eligible to undertake the Issue in terms of Chapter III of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI to the SEBI ICDR Regulations.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchange for listing of the Rights Equity Shares to be issued pursuant to the Issue. BSE is the Designated Stock Exchange for the Issue.

Compliance with Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable for the last one year immediately preceding the date of filing of this Letter of Offer with the Designated Stock Exchange;
2. The reports, statements and information referred to above are available on the website of BSE; and
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

Disclaimer Clause of SEBI

The Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of issue is up to ₹ 4,800.15 lakhs*. The present Issue being of less than ₹ 5,000 lakhs, our Company is in compliance with first proviso to Regulation 3 of the SEBI ICDR Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI ICDR Regulations with SEBI for information and dissemination on the website of SEBI i.e. www.sebi.gov.in.

**Assuming full subscription. Subject to finalisation of the Basis of Allotment.*

Disclaimer from our Company, our Directors and the LM

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Letter of Offer or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.enbeetrade.com or the respective websites of our Promoter Group or an affiliate of our Company would be doing so at his or her own risk.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centers or elsewhere.

Investors will be required to confirm and will be deemed to have represented to our Company, Lead Manager 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 Lead Manager and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

No information which is extraneous to the information disclosed in this Letter of Offer or otherwise shall be given by our Company or any member of the Issue management team or the syndicate to any particular section of investors or to any research analyst in any manner whatsoever, including at road shows, presentations, in research or sales reports or at bidding centers.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in

the applicable jurisdictions. Unless otherwise specified, the information contained in this Letter of Offer is current only as at its date.

Disclaimer in respect of Jurisdiction

This Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Maharashtra, India only.

Disclaimer Clause of BSE

As required, a copy of this Draft Letter of Offer was submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Letter of Offer, has been provided below:

"*BSE Limited ("**the Exchange**") has given vide its letter dated April 19, 2023, permission to this Company to use the Exchange's name in this Letter of Offer as the stock exchange on which this Company's securities are proposed to be listed. The Exchange has scrutinized this Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:*

- *Warrant, certify or endorse the correctness or completeness of any of the contents of this Letter of Offer; or*
- *Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or*
- *Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;*

and it should not for any reason be deemed or construed that this letter of offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever"

Designated Stock Exchange

The Designated Stock Exchange for the purposes of the Issue is BSE.

Listing

Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

Selling Restrictions

This Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Letter of Offer, Abridged Letter of Offer, Application Form and the Rights Entitlement Letter **("Issue Materials")** and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of this the Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Letter of Offer has been filed with the Stock Exchange.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of this Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date of such information. Each person who exercises Rights Entitlements and subscribes for Equity Shares, or who purchases Rights Entitlements or Equity Shares shall do so in accordance with the restrictions set out below.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and this Letter of Offer/ Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of the Letter of Offer, (i) that it is not and that, at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorised to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company, in consultation with the Lead Manager, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed "Overseas Shareholders" to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICIATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

Consents

Consents in writing of: our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, the Lead Manager, legal advisor, the Registrar to the Issue and the Bankers to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Letter of Offer.

Our Company has received written consent dated February 28, 2023 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Letter of Offer as an "expert" as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) report dated May 30, 2022 on our Audited Financial Statements for the financial year ended March 31, 2022; (ii) limited review report dated February 7, 2023 on the unaudited financial results for the nine month period ended December 31, 2022; and (iii) statement of tax benefits dated February 28, 2023 in this Letter of Offer and such consent has not been withdrawn as on the date of this Letter of Offer.

Expert Opinion

Our Company has received written consent dated February 28, 2023 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Letter of Offer as an "expert" as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) report dated May 30, 2022 on our Audited Financial Statements for the financial year ended March 31, 2022; (ii) limited review report dated February 7, 2023 on the unaudited financial results for the nine month period ended December 31, 2022; and (iii) statement of tax benefits dated February 28, 2023 in this Letter of Offer and such consent has not been withdrawn as on the date of this Letter of Offer. The term 'expert' and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

Except for the abovementioned documents, our Company has not obtained any expert opinions.

Filing

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

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Adroit Corporate Services Private Limited is our Registrar and Share Transfer Agent and all investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer. We have appointed Cameo Corporate Services Limited as the Registrar to the Issue and all investor grievances which shall be received by us with respect to this Issue shall be handled by the said Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

Investor Grievances arising out of this Issue

Investors may contact the Registrar to the Issue or our Company Secretary for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs, giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, see "*Terms of the Issue*" beginning at page 128 of this Letter of Offer.

The contact details of our Registrar to the Issue and our Company Secretary are as follows:

Registrar to the Issue
Cameo Corporate Services Limited
Subramanian Building, No. 01,
Club House Road, Chennai- 600 002,
Tamil Nadu, India.
Telephone: +91- 44 – 4002 0700
Facsimile: N.A.
E-mail: priya@cameoindia.com
Website: www.cameoindia.com
Investor Grievance e-mail: investor@cameoindia.com
Contact Person: K. Sreepriya
SEBI Registration No.: INR000003753

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

Ruchika Kabra, Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder.

Address: B4 /C5, Gods Gift Chs Ltd,
N M Joshi Marg, Lower Parel,
Mumbai – 400 013, Maharashtra, India
Telephone: +91 22 7969 2512
E-mail: enbeetrade@gmail.com

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

This Section applies to all Investors. ASBA Investors should note that the ASBA process involves procedures that may be different from that applicable to other Investors and should carefully read the provisions applicable to such Applications, in the Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter, before submitting an Application Form. Our Company and the Lead Manager are not liable for any amendments, modifications or changes in applicable law which may occur after the date of the Letter of Offer. Investors who are eligible to apply under the ASBA process are advised to make their independent investigations and to ensure that the Application Form and the Rights Entitlement Letter is correctly filled up.

*Please note that in accordance with the provisions of the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 ("**SEBI – Rights Issue Circular**"), all investors (including renouncee) shall make an application for a rights issue only through ASBA facility. The Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Letter of Offer, the Abridged Letter of Offer, including the Application Form and the Rights Entitlement Letter, the MOA and AOA of our Company, the provisions of the Companies Act, the terms and conditions as may be incorporated in the FEMA, applicable guidelines and regulations issued by SEBI or other statutory authorities and bodies from time to time, the SEBI Listing Regulations, terms and conditions as stipulated in the allotment advice or security certificate and rules as may be applicable and introduced from time to time.*

OVERVIEW

The Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter, the Memorandum of Association and the Articles of Association, the provisions of Companies Act, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the SEBI, the RBI or other regulatory authorities, the terms of Listing Agreements entered into by our Company with the Stock Exchange and terms and conditions as stipulated in the Allotment Advice.

Important:

1) *Dispatch and availability of Issue materials:*

In accordance with the SEBI ICDR Regulations, SEBI Rights Issue Circular, our Company will send the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material, through email to the email addresses or physical delivery through registered post/speed post to all the Eligible Equity Shareholders who have provided their Indian addresses to our Company. The Letter of Offer will be provided, only through email or physical delivery through registered post/ speed post, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

a) Our Company at www.enbeetrade.com;
b) the Registrar to the Issue at https://rights.cameoindia.com/enbee
c) the Lead Manager at www.saffronadvisor.com; and
d) the Stock Exchange at www.bseindia.com.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the issue at (*i.e.*, https://rights.cameoindia.com/enbee) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of our Company (i.e., www.enbeetrade.com).

Our Company, Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form. Resident Eligible Shareholders, who are holding Equity Shares in physical form as on the Record Date, can obtain details of their respective Rights Entitlements from the website of the Registrar by

entering their Folio Number.

2) *Facilities for Application in this Issue:*

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011, the SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (Collectively hereafter referred to as "**ASBA Circulars**"), all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, see "*Procedure for Application through the ASBA Process*" on page 136 of the Letter of Offer.

3) *Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders:*

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

Resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date i.e. Wednesday, May 10, 2023 are requested to provide relevant details (such as copies of self-attested PAN and details of address proof by way of uploading on Registrar website the records confirming the legal and beneficial ownership of their respective Equity Shares) not later than two Working Days prior to the Issue Closing Date i.e. Tuesday, May 30, 2023 in order to be eligible to apply for this Issue. Such Resident Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer.

In accordance with the SEBI Rights Issue Circular, the Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e. Tuesday, May 30, 2023 , shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.

4) *Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form:*

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Such resident Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in "*Procedure for Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form*" on page 142.

5) *Application for Additional Equity Shares*

Investors are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made

as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in "*Basis of Allotment*" beginning on page 149.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

6) Investors to kindly note that after purchasing the Rights Entitlements through On Market Renunciation / Off Market Renunciation, an Application has to be made for subscribing to the Rights Equity Shares. If no such Application is made by the renouncee on or before Issue Closing Date, then such Rights Entitlements will get lapsed and shall be extinguished after the Issue Closing Date and no Rights Equity Shares for such lapsed Rights Entitlements will be credited. For procedure of Application by shareholders who have purchased the Right Entitlement through On Market Renunciation / Off Market Renunciation, please refer to the heading titled "*Procedure for Application through the ASBA process*" on page 136 of this Letter of Offer.

7) Other important links and helpline:

The Investors can visit following links for the below-mentioned purposes:

a) Updation of Indian address by Non resident Eligible Equity shareholders in the records maintained by the Registrar or our Company: by email to priya@cameoindia.com
b) Updation of demat account details/ email address/ mobile number by resident Eligible Equity Shareholders holding shares in physical form: https://rights.cameoindia.com/enbee

Renouncees

All rights or obligations of the Eligible Equity Shareholders in relation to Applications and refunds relating to the Issue shall, unless otherwise specified, apply to the Renouncee(s) as well.

Authority for the Issue

The Board of Directors in its meeting dated January 12, 2023 read with resolution passed by our Board on December 24, 2021 and the resolution passed in the meeting of the Rights Issue Committee held on May 4, 2023, has authorised this Issue under Section 62(1) (c) of the Companies Act, 2013.

The Rights Issue Committee in its meeting held on May 4, 2023 have determined the Issue Price at ₹ 15/- per Equity Share and the Rights Entitlement as twenty (20) Rights Equity Shares for every one (01) fully paid-up Equity Share held on the Record Date. The Issue Price has been arrived at in consultation with the Lead Manager.

Our Company has received in-principle approval from BSE in accordance with Regulation 28 of the SEBI Listing Regulations for listing of the Rights Equity Shares to be Allotted in the Issue pursuant to letter dated April 19, 2023.

Basis for the Issue

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of the Equity Shares held dematerialized form and on the register of members of our Company in respect of the Equity Shares held in physical form at the close of business hours on the Record Date, decided in consultation with the Designated Stock Exchange, but excludes persons not eligible under the applicable laws, rules, regulations and guidelines.

Rights Entitlement ("REs") (Rights Equity Shares)

Eligible Equity Shareholders whose names appear as a beneficial owner in respect of the Equity Shares held in dematerialized form or appear in the register of members as an Equity Shareholder of our Company in respect of the Equity Shares held in physical form as on the Record Date, i.e., Wednesday, May 10, 2023, are entitled to the number of Rights Equity Shares as set out in the Application Form.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website

of the Registrar to the Issue (https://rights.cameoindia.com/enbee) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of our Company (www.enbeetrade.com).

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. If the Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form to the email addresses as well as to the physical addresses of Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

The Letter of Offer will be provided, through email or physical delivery through registered post/ speed post, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. The Letter of Offer, the Abridged Letter of Offer and the Application Form may also be accessed on the websites of the Registrar, our Company and the Lead Manager through a link contained in the aforementioned email sent to email addresses of Eligible Equity Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) and on the Stock Exchange's websites. The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer will be filed with SEBI and the Stock Exchange. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes and Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Rights Equity Shares under the laws of any jurisdiction which apply to such person.

Our Company, Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

PRINCIPAL TERMS OF THE RIGHTS EQUITY SHARES ISSUED UNDER THIS ISSUE

Face Value

Each Rights Equity Share will have the face value of ₹ 10.

Issue Price

Each Rights Equity Share is being offered at a price of ₹ 15/- per Rights Equity Share (including a premium of ₹ 5 per Rights Equity Share) in the Issue. The Issue Price has been arrived at by our Company in consultation with the Lead Manager prior to the determination of the Record Date.

The Rights Equity Shares issued in this Issue will be fully paid-up. The Issue Price and other relevant conditions are in accordance with Regulation 10(4) of the SEBI Takeover Regulations.

The Rights Issue Committee, at its meeting held on May 4, 2023, has determined the Issue Price, in consultation with the Lead Manager.

Rights Entitlement Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of twenty (20) Rights Equity Shares for every one (01) fully paid-up Equity Share held on the Record Date.

Rights of instrument holder

Each Rights Equity Share shall rank pari passu with the existing Equity Shares of the Company.

Terms of Payment

The entire amount of the Issue Price of ₹ 15 per Rights Equity Share shall be payable at the time of Application.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of twenty (20) Rights Equity Shares for every one (01) fully paid-up Equity Share held on the Record Date, therefore there shall be no fractional entitlements in this Issue.

Ranking

The Rights Equity Shares to be issued and allotted pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and the Articles of Association. The Rights Equity Shares to be issued and Allotted pursuant to the Issue shall rank *pari passu* with the existing Equity Shares of our Company, in all respects including dividends.

Mode of payment of dividend

In the event of declaration of dividend, our Company shall pay dividend to the Eligible Equity Shareholders as per the provisions of the Companies Act and the provisions of the Articles of Association.

Listing and trading of the Rights Equity Shares to be issued pursuant to the Issue

As per the SEBI – Rights Issue Circular, the Rights Entitlements with a separate ISIN would be credited to the demat account of the respective Eligible Equity Shareholders before the issue opening date. On the Issue Closing date the depositories will suspend the ISIN of REs for transfer and once the allotment is done post the basis of allotment approved by the designated stock exchange, the separate ISIN no. INE993I20011 for REs so obtained will be permanently deactivated from the depository system.

The existing Equity Shares of our Company are listed and traded under the ISIN: INE993I01011 on BSE (Scrip Code: 512441). Our Equity Shares are not listed on National Stock Exchange of India Limited. Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on BSE subject to necessary approvals. Our Company has received in-principle approval from BSE through letter no. LOD/RIGHT/ VK/FIP/ 35/2023-24 dated April 19, 2023. All steps for completion of necessary formalities for listing and commencement of trading in the equity shares will be taken within 7 working days from the finalisation of the Basis of Allotment. Our Company will apply to BSE for final approval for the listing and trading of the

Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

Upon receipt of such listing and trading approval, the Rights Equity Shares proposed to be issued pursuant to the Issue shall be debited from such temporary ISIN and credited in the existing ISIN and thereafter be available for trading under the existing ISIN as fully paid-up Equity Shares of our Company. The temporary ISIN shall be kept blocked till the receipt of final listing and trading approval from the Stock Exchange.

The Rights Equity Shares allotted pursuant to the Issue will be listed as soon as practicable and all steps for completion of the necessary formalities for listing and commencement of trading of the Rights Equity Shares shall be taken within the specified time.

If permissions to list, deal in and for an official quotation of the Rights Equity Shares are not granted by BSE, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Letter of Offer. If such money is not repaid beyond eight days after our Company becomes liable to repay it, then our Company and every Director who is an officer in default shall, on and from such expiry of eight days, be liable to repay the money, with interest as applicable.

For details of trading and listing of Rights Equity Shares, please refer to the heading "*Terms of Payment*" at page 132 of this Letter of Offer.

Subscription to the Issue by our Promoters and Promoter Group

For details of the intent and extent of the subscription by our Promoters and Promoter Group, see "*Capital Structure – Intention and extent of participation by our Promoters and Promoter Group in the Issue"* on page 46.

Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of holders of Equity Shares

Subject to applicable laws, the Equity Shareholders shall have the following rights:

- The right to receive dividend, if declared;
- The right to vote in person, or by proxy;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive surplus on liquidation;
- The right of free transferability of Equity Shares;
- The right to attend general meetings and exercise voting powers in accordance with law, unless prohibited by law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the Memorandum of Association and the Articles of Association

General terms of the Issue

Market Lot

The Equity Shares of our Company are tradable only in dematerialized form. The market lot for Equity Shares in dematerialized mode is one Equity Share.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold such Equity Share as the joint holders with the benefit of survivorship subject to the provisions contained in the Articles of Association. Application Forms would be required to be signed by all the joint holders to be considered valid.

Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. An Investor can nominate any person by filling the relevant details in the Application Form in the space provided for this purpose.

Since the Allotment of Rights Equity Shares is in dematerialized form only, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in the Issue. Nominations registered with respective Depository Participant of the Investor would prevail. Any Investor desirous of changing the existing nomination is requested to inform its respective Depository Participant.

Arrangements for Disposal of Odd Lots

Our Equity Shares are traded in dematerialized form only and therefore the marketable lot is one Equity Share and hence, no arrangements for disposal of odd lots are required.

New Financial Instruments

There are no new financial instruments like deep discount bonds, debentures with warrants, secured premium notes etc. issued by our Company.

Restrictions on transfer and transmission of shares and on their consolidation/splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue.

However, the Investors should note that pursuant to provisions of the SEBI Listing Regulations, the request for transfer and transmission of securities shall not effected unless the securities are held in the dematerialized form with a depository.

Notices

In accordance with the SEBI ICDR Regulations and SEBI Rights Issue Circular, our Company will send, through email or physical delivery through registered post/ speed post, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material to the email addresses of all the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. The Letter of Offer will be provided, through email or physical delivery through registered post/ speed post, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Our Company, Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one (1) Marathi language daily newspaper with wide circulation at Maharashtra, where our Registered Office is situated.

PROCEDURE FOR APPLICATION

How to Apply

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circular and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. Further, the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date can apply for this Issue through ASBA facility. For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, see

"*Procedure for Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form*" on page 142.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers, the Lead Manager, and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Application Form

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent to email address of the Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

The Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email or physical delivery through registered post/ speed post at least three days before the Issue Opening Date. In case of non-resident Eligible Equity Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email to email address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

Our Company, Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

a) Our Company at www.enbeetrade.com;
b) the Registrar to the Issue at https://rights.cameoindia.com/enbee
c) the Lead Manager at www.saffronadvisor.com; and
d) the Stock Exchange at www.bseindia.com.

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., https://rights.cameoindia.com/enbee) by entering their DP ID and Client ID or Folio Number (in case of resident Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of our Company (i.e., www.enbeetrade.com). The Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account. Further, in accordance with the SEBI Rights Issue Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date can apply through this Issue by first furnishing the details of their demat account along with their self-attested PAN and details of address proof by way of uploading on Registrar website the records confirming the legal and beneficial ownership of their respective Equity Shares at least two Working Days prior to the Issue Closing Date i.e. Tuesday, May 30, 2023, after which they can apply through ASBA facility.

In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account. Investors may accept this Issue and apply for the Rights Equity Shares submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block

Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein, the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected. Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see "*Grounds for Technical Rejection*" on page 146. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see "*Application on Plain Paper under ASBA process*" on page 139.

Options available to the Eligible Equity Shareholders

Details of each Eligible Equity Shareholders Rights Entitlement will be sent to the Eligible Equity shareholder separately along with the Application Form and would also be available on the website of the Registrar to the Issue at https://rights.cameoindia.com/enbee and link of the same would also be available on the website of our Company at (www.enbeetrade.com). Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

The Eligible Equity Shareholders will have the option to:

- Apply for his Rights Entitlement in full;
- Apply for his Rights Entitlement in part (without renouncing the other part);
- Apply for his Rights Entitlement in full and apply for additional Rights Equity Shares;
- Apply for his Rights Entitlement in part and renounce the other part of the Rights Equity Shares; and
- Renounce his Rights Entitlement in full.

In accordance with the SEBI Rights Issue Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e. Tuesday, May 30, 2023, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period through ASBA mode. Such resident Eligible Equity Shareholders must check the procedure for Application in "*Procedure for Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form*" on page 142.

Procedure for Application through the ASBA process

Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorisation to the SCSB, *via* the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link. Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated

September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

Acceptance of this Issue

Investors may accept this Issue and apply for the Rights Equity Shares submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section "*Application on Plain Paper under ASBA process*" on page 136.

Additional Rights Equity Shares

Investors are eligible to apply for additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Applications for additional Rights Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, subject to applicable sectoral caps, and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under the section titled "*Terms of the Issue*" on page 128. Applications for additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner prescribed under the section "*Basis of Allotment*" on page 149.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Rights Equity Shares.

Applications by Overseas Corporate Bodies

By virtue of the Circular No. 14 dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies ("**OCBs**"), have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to OCBs) Regulations, 2003.

Accordingly, the existing Eligible Equity Shareholders of our Company who do not wish to subscribe to the Rights Equity Shares being offered but wish to renounce the same in favour of Renouncee shall not be able to renounce the same (whether for consideration or otherwise), in favour of OCB(s). The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003, that OCBs which are incorporated and are not and were not at any time subject to any adverse notice from the RBI, are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000, under the foreign direct investment scheme with the prior approval of Government of India if the investment is through the government approval route and with the prior approval of RBI if the investment is through automatic route on case by case basis. Eligible Equity Shareholders renouncing their rights in favour of such OCBs may do so provided such Renouncee obtains a prior approval from the RBI. On submission of such RBI approval to our Company at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the Application Form.

Procedure for Renunciation of Rights Entitlements

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange; or (b) through an off - market transfer, during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation.

In accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two working days prior to issue closing date, such that credit of REs in their demat account takes place at least

one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements. The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

(a) On Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN INE993I20011 subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time. The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., Thursday, May 18, 2023 to Friday, May 26, 2023 (both days inclusive). The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN INE993I20011 and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+1 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

(b) ***Off Market Renunciation***

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN INE993I20011, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Applications on Plain Paper under ASBA process

An Eligible Equity Shareholder who has neither received the Application Form nor is in a position to obtain the Application Form either from our Company, Registrar to the Issue, Manager to the Issuer or from the website of the Registrar, can make an Application to subscribe to the Issue on plain paper through ASBA process. Eligible Equity Shareholders shall submit the plain paper application to the Designated Branch of the SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently. For details of the mode of payment, see "*Modes of Payment*" on page 140.

The envelope should be super scribed "***Enbee Trade & Finance Limited – Rights Issue***" and should be postmarked in India. The application on plain paper, duly signed by the Eligible Equity Shareholders including joint holders, in the same order and as per the specimen recorded with our Company/Depositories, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

- Name of our Issuer, being Enbee Trade & Finance Limited;
- Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- Registered Folio Number/ DP and Client ID No.;
- Number of Equity Shares held as on Record Date;
- Allotment option preferred - only Demat form;
- Number of Rights Equity Shares entitled to;
- Number of Rights Equity Shares applied for;
- Number of Additional Rights Equity Shares applied for, if any;
- Total number of Rights Equity Shares applied for within the Right Entitlements;
- Total amount paid at the rate of ₹ 15 per Rights Equity Share;
- Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- In case of NR Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- Except for Applications on behalf of the Central or State Government, the residents of Sikkim and officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to the Issue. Documentary evidence for exemption to be provided by the applicants;
- Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);
- Additionally, all such Applicants are deemed to have accepted the following:

*"I/We understand that neither the Rights Entitlement nor the Rights Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended ("**US Securities Act**") or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof ("**United States**") or to, or for the account or benefit of a United States person as defined in the Regulation S of the US Securities Act ("**Regulation S**"). I/ we understand the Rights Equity Shares referred to in this application are being offered in India but not in the United States. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/ we confirm that I/ we are not in the United States and understand that neither us, nor the Registrar, the Lead Manager or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, the Lead Manager or any other person acting*

on behalf of us have reason to believe is a resident of the United States "U.S. Person" (as defined in Regulation S) or is ineligible to participate in the Issue under the securities laws of their jurisdiction.

"*I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.*

I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States or a Qualified Institutional Buyer (as defined in the US Securities Act), and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S or in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act.

I/We acknowledge that the Company, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, Lead Manager and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at . Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

Last date for Application

The last date for submission of the duly filled in Application Form is Thursday, June 1, 2023. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the provisions of the Articles of Association, and subject to the Issue Period not exceeding 30 days from the Issue Opening Date.

If the Application together with the amount payable is either (i) not blocked with an SCSB; or (ii) not received by the Bankers to the Issue or the Registrar on or before the close of banking hours on the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as provided under "*Terms of the Issue - Basis of Allotment*" on page 149.

Modes of Payment

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank

account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalization of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their Application at the time of the submission of the Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

All payments against the Application Forms shall be made only through ASBA facility or internet banking. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

Mode of payment for Resident Investors

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

Mode of payment for Non-Resident Investors

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue Equity Shares to non-resident shareholders including additional Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at priya@cameoindia.com.

As regards Applications by Non-Resident Investors, the following conditions shall apply:

- Individual non-resident Indian Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, our Company or the Lead Manager.

  Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form shall be sent to their email addresses if they have provided their Indian address to our Company or if they are located in certain jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. The Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

- Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.

- Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.

- Eligible Non-Resident Equity Shareholders applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("**NRE**") accounts, or Foreign

Currency Non-Resident ("**FCNR**") Accounts, and Eligible Non-Resident Equity Shareholders applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("**NRO**") accounts for the full amount payable, at the time of the submission of the Application Form to the SCSB. Applications received from NRIs and non-residents for allotment of the Rights Equity Shares shall be inter alia, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of Application Money, allotment of Rights Equity Shares and issue of letter of allotment. If an NR or NRI Investors has specific approval from RBI, in connection with his shareholding, he should enclose a copy of such approval with the Application Form.

- In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act. In case Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Equity Shares in the Issue.

Procedure for application by Resident Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

1. The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date; Alternatively they can upload the documents in the online portal of the Registrar i.e., https://rights.cameoindia.com/enbee.

2. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;

3. The remaining procedure for Application shall be same as set out in "*Application on Plain Paper under ASBA process*" beginning on page 139.

In accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two working days prior to issue closing date, such that credit of REs in their demat account takes place at least one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

Allotment of the Rights Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE.

FOR DETAILS, SEE "ALLOTMENT ADVICES/UNBLOCKING OF ASBA ACCOUNTS" ON PAGE 150.

General instructions for Investors

(a) Please read this Letter of Offer and Application Form carefully to understand the Application process and applicable settlement process.

(b) In accordance with the SEBI Rights Issue Circulars, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.

(c) Please read the instructions on the Application Form sent to you.

(d) The Application Form can be used by both the Eligible Equity Shareholders and the Renouncees.

(e) Application should be made only through the ASBA facility.

(f) Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected.

(g) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section "*Application on Plain Paper under ASBA process*" on page 136.

(h) In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

(i) An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.

(j) Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

(k) Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar and the Lead Manager.

(l) In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form.

(m) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.

(n) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.

(o) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.

(p) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.

(q) All communication in connection with Application for the Rights Equity Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable. In case of any change in address of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.

(r) Only persons outside restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Rights Equity Shares under applicable securities laws are eligible to participate.

(s) Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

(t) In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications.

(u) In case of change of status of holders, *i.e.*, from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Manager

Additional general instructions for Investors in relation to making of an Application

(a) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.

(b) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("**Demographic Details**") are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their

Demographic Details as provided to their Depository Participants. The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Investor as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar or the Lead Manager shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.

(c) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

(d) Investors are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.

(e) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.

(f) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.

(g) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.

(h) Do not pay the Application Money in cash, by money order, pay order or postal order.

(i) Do not submit multiple Applications.

(j) No investment under the FDI route (i.e any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. The Lead Manager and our Company will not be responsible for any allotments made by relying on such approvals.

(k) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as a incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

Do's:

(a) Ensure that the Application Form and necessary details are filled in.

(b) Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act.

(c) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("**Demographic Details**") are updated, true and correct, in all respects.

(d) Investors should provide correct DP ID and client ID/ folio number while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.

Don'ts:

(a) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.

(b) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.

(c) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.

(d) Do not pay the Application Money in cash, by money order, pay order or postal order.

(e) Do not submit multiple Applications.

Do's for Investors applying through ASBA:

(a) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.

(b) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.

(c) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.

(d) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.

(e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.

(f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.

(g) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

Don'ts for Investors applying through ASBA:

a) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.

b) Do not send your physical Application to the Lead Manager, the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.

c) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

(a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.

(b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.

(c) Sending an Application to our Company, the Lead Manager, Registrar, Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB.

(d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.

(e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.

(f) Account holder not signing the Application or declaration mentioned therein.

(g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.

(h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.

(i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).

(j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.

(k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.

(l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Letter of Offer.

(m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.

(n) Application forms supported by amounts blocked from a third party bank account.

(o) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.

(p) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.

(q) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and QPs) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person, and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.

(r) Applications which have evidence of being executed or made in contravention of applicable securities laws.

(s) Application from Investors that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. By signing the Application Forms, the Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar or the Lead Manager shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms s are liable to be rejected.

Multiple Applications

A separate Application can be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Applications shall not be treated as multiple applications. For details, see "*Investment by Mutual Funds*" below on page 154.

In cases where multiple Applications are submitted, including cases where an Investor submits Application Forms along with a plain paper Application or multiple plain paper Applications, such Applications shall be treated as multiple applications and are liable to be rejected (other than multiple applications submitted by any of the Promoters or members of the Promoter Group as described in *Capital Structure – Intention and extent of participation by our Promoters and Promoter Group in the Issue* " on page 46).

Underwriting

The Issue is not underwritten.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor may withdraw their Application post

the Issue Closing Date.

Issue schedule

Issue Opening Date	Thursday, May 18, 2023
Last date for receiving requests for Application Form and Rights Entitlement Letter**	Thursday, June 1, 2023
Issue Closing Date*	Thursday, June 1, 2023
Finalising the basis of allotment with the Designated Stock Exchange	Friday, June 9, 2023
Date of Allotment (on or about)	Friday, June 9, 2023
Initiation of refunds	Friday, June 9, 2023
Date of credit (on or about)	Tuesday, June 13, 2023
Date of listing (on or about)	Thursday, June 15, 2023

**Our Board may, however, decide to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).*

***Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company, the Lead Manager and/or the Registrar to the Issue will not be liable for any loss on account of non-submission of Application Forms or on before the Issue Closing Date.*

Basis of Allotment

Subject to the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter, the Articles of Association of our Company and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

(a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlement either in full or in part and also to the Renouncee(s) who has/have applied for Rights Equity Shares renounced in its/their favor, in full or in part, as adjusted for fractional entitlement.

(b) As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Since the Right Entitlement Ratio is twenty (20) Rights Equity Shares for every one (01) fully paid-up Equity Share held, there will not be any fractional entitlement in the Issue

(c) Allotment to the Eligible Equity Shareholders who have applied for the full extent of their Rights Entitlement and have also applied for Additional Rights Equity Shares shall be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are unsubscribed Rights Equity Shares after making full Allotment under (a) and (b) above. The Allotment of such Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.

(d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour and also have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares shall be made on a proportionate basis as part of the Issue and will not be a preferential allotment.

(e) Allotment to any other person that our Board may deem fit provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

(f) After taking into account Allotment to be made under (a) to (e) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed' for the purpose of Regulation 3(1)(b) of the SEBI Takeover Regulations.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Designated Branches, a list of the ASBA Investors who have been Allotted Rights Equity Shares in the Issue, along with:

(a) The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA Application;

(b) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and

(c) The details of rejected ASBA Applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

In the event of over subscription, Allotment shall be made within the overall size of the Issue.

Allotment Advices/Unblocking of ASBA accounts

Our Company will send/ dispatch Allotment advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 1 day from the finalisation of Basis of allotment T+1, T being the date of approval of basis of allotment. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 1 day' period.

Investors residing at centers where clearing houses are managed by the RBI will get refunds through National Automated Clearing House ("**NACH**") except where Investors have not provided the details required to send electronic refunds or where the investors are otherwise disclosed as applicable or eligible to get refunds through direct credit and real-time gross settlement ("**RTGS**").

In case of those investors who have opted to receive their Rights Entitlement in dematerialized form using electronic credit under the depository system, and the Allotment advice regarding their credit of the Rights Equity Shares shall be sent at the address recorded with the Depository. Investors to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post or email intimating them about the mode of credit of refund within 15 days of the Issue Closing Date.

The letter of allotment or refund order would be sent by registered post, email or speed post/registered post to the sole/ first Investor's address or the email address provided by the Eligible Equity Shareholders to our Company. Such refund orders would be payable at par at all places where the Applications were originally accepted. The same would be marked 'Account Payee only' and would be drawn in favor of the sole/ first Investor. Adequate funds would be made available to the Registrar for this purpose.

In the event, our Company fails to obtain listing or trading permission from the Stock Exchange, we shall refund the entire proceeds of the Issue within four days of receipt of intimation from the Stock Exchange rejecting the application for listing of Equity Shares, and if any such money is not repaid within four days after our Company becomes liable to repay we shall, on and from the expiry of the fourth day, be liable to repay that money with interest at the rate of fifteen per cent. per annum.

Payment of Refund

Mode of making refunds

In case of Applicants not eligible to make an application through ASBA process, the payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes:

1. Unblocking amounts blocked using ASBA facility;

2. National Automated Clearing House ("NACH") – NACH is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centers specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centers where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the Depositories), except where the Applicant is otherwise disclosed as eligible to get refunds through NEFT, Direct Credit or RTGS.

3. National Electronic Fund Transfer ("NEFT") – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code ("**IFSC Code**"), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, such MICR number and the bank account number will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

4. Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for such refund would be borne by our Company.

5. RTGS – If the refund amount exceeds ₹ 200,000, Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event such IFSC Code is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for such refund would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.

6. For all other Investors, the refund orders will be dispatched through speed post or registered post. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.

7. Credit of refunds to Investors in any other electronic manner, permissible under the banking laws, which are in force, and is permitted by SEBI from time to time.

Refund payment to Non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

Printing of Bank Particulars on Refund Orders

As a matter of precaution against possible fraudulent encashment of refund orders due to loss or misplacement, the particulars of the Investor's bank account are mandatorily required to be given for printing on the refund orders. Bank account particulars, where available, will be printed on the refund orders or refund warrants which can then be deposited only in the account specified. Our Company will, in no way, be responsible if any loss occurs through these instruments falling into improper hands either through forgery or fraud.

Allotment advice or Demat Credit

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Option to receive Right Equity Shares in Dematerialised Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE RESIDENT ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES OF OUR COMPANY CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALISED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in the Issue in the electronic form is as under:

- Open a beneficiary account with any Depository Participant (*care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company*). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for each such holding. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.

- It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.

- The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.

- If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.

- The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification. Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.

- Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in the Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

- Non-transferable allotment advice/ refund orders will be sent directly to the Investors by the Registrar to the Issue.

- Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue for further details, please refer to "*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*" on page 142.

Investment by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the multiple entities having common ownership, directly or indirectly, of more than 50% or common control) must be below 10% of our post- Issue Equity Share capital. Further, in terms of FEMA Rules, the total holding by each FPI shall be below 10% of the total paid-up equity share capital of a company on a fully-diluted basis and the total holdings of all FPIs put together shall not exceed 24% of the paid-up equity share capital of a company on a fully diluted basis.

Further, pursuant to the FEMA Rules the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Issue are advised to use the ASBA Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, only Category I FPIs, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons eligible to be registered as Category I FPIs; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI may transfer offshore derivative instruments to persons compliant with the requirements of Regulation 21(1) of the SEBI FPI Regulations and subject to receipt of consent, except where pre-approval is provided.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Investment by Systemically Important Non-Banking Financial Companies (NBFC – SI)

In case of an application made by Systemically Important NBFCs registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45 –IA of the RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Investment by AIFs, FVCIs and VCFs

The SEBI (Venture Capital Funds) Regulations, 1996, as amended ("**SEBI VCF Regulations**") and the SEBI (Foreign Venture Capital Investor) Regulations, 2000, as amended ("**SEBI FVCI Regulations**") prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI (Alternative Investments Funds) Regulations, 2012 ("**SEBI AIF Regulations**") prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue.

Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations.

Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection

Applications will not be accepted from FPIs in restricted jurisdictions.

FPIs which are QIBs, Non-Institutional Investors or whose application amount exceeds ₹ 2 lakhs can participate in the Rights Issue only through the ASBA process. Further, FPIs which are QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹ 2 lakhs.

Investment by NRIs

Investments by NRIs are governed by Rule 12 of FEMA Rules. Applications will not be accepted from NRIs in Restricted Jurisdictions.

NRIs may please note that only such Applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The NRIs who intend to make payment through NRO ccounts shall use the Application form meant for resident Indians and shall not use the Application forms meant for reserved category.

As per Rule 12 of the FEMA Rules read with Schedule III of the FEMA Rules, an NRI or OCI may purchase or

sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Investment by Mutual Funds

Applications made by asset management companies or custodians of Mutual Funds should clearly and specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

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 schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Procedure for applications by Systemically Important NBFCs

In case of application made by Systemically Important NBFCs registered with the RBI, (i) the certificate of registration issued by the RBI under Section 45 –IA of the RBI Act, 1934 and (ii) networth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Payment by stock invest

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest Scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

(i) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(ii) 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

(iii) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 10 lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to ten 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. Where such fraud (i) involves an amount which is less than ₹ 10 lakhs or 1% of the turnover of the Company, whichever is lower, and (ii) does not involve public interest, then such fraud is punishable with imprisonment for a term extending up to five years or fine of an amount extending up to ₹ 50 lakhs or with both.

Dematerialised Dealing

Our Company has entered into tripartite agreements dated January 11, 2008 and February 25, 2008 with NSDL and CDSL, respectively, and our Equity Shares bear the ISIN: INE993I01011.

Disposal of Applications and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form would generate an electronic acknowledgment to the Eligible Equity Shareholders upon submission of the Application. Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be unblocked in the respective ASBA Accounts of the Investor within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

Utilization of Issue Proceeds

Our Board of Directors declares that:

(a) All monies received out of the Issue shall be transferred to a separate bank account;

(b) Details of all monies utilized out of the Issue shall be disclosed, and shall continue to be disclosed until the time any part of the Issue Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;

(c) Details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and

(d) Our Company may utilize the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

Undertakings by our Company

Our Company undertakes the following:

(i) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.

(ii) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchange where the Rights Equity Shares are to be listed will be taken within the time prescribed by the SEBI.

(iii) The funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.

(iv) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.

(v) Other than any Equity Shares that may be issued pursuant to exercise options under the ESOP 2016 and ESOP 2018, no further issue of securities affecting our Company's Equity Share capital shall be made until the Rights Equity Shares are listed or until the Application Money is refunded on account of non-listing, under subscription etc.

(vi) In case of unblocking of the application amount for unsuccessful Applicants or part of the application amount in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.

(vii) Adequate arrangements shall be made to collect all ASBA Applications and to consider them similar to non-ASBA Applications while finalizing the Basis of Allotment.

(viii) At any given time, there shall be only one denomination for the Rights Equity Shares of our Company.

(ix) Our Company shall comply with all disclosure and accounting norms specified by the SEBI from time to time.

(x) Our Company accepts full responsibility for the accuracy of information given in this Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

Minimum subscription

The objects of the Issue involve financing other than financing of capital expenditure for a project and our Promoter and members of our Promoter Group have undertaken to (i) subscribe to the full extent of their respective Rights Entitlements, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR; and (ii) have also confirmed that they shall not renounce their Rights Entitlements, except to the extent of renunciation within the promoter group. Accordingly, in terms of the SEBI ICDR Regulations, the requirement of minimum subscription in the Issue is not applicable.

Filing

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

Withdrawal of the Issue

Subject to provisions of the SEBI ICDR Regulations, the Companies Act and other applicable laws, Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue anytime after the Issue Opening Date, a public notice within two (2) Working Days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisement has appeared and the Stock Exchange will also be informed promptly.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchange.

If our Company withdraws the Issue at any stage including after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Important

Please read this Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected. It is to be specifically noted that this Issue of Rights Equity Shares is subject to the risk factors mentioned in "*Risk Factors*"

on page 20.

All enquiries in connection with this Letter of Offer or Application Form and the Rights Entitlement Letter must be addressed (quoting the Registered Folio Number or the DP and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed "***Enbee Trade & Finance Limited – Rights Issue***" on the envelope to the Registrar at the following address:

Cameo Corporate Services Limited
Subramanian Building, No. 01,
Club House Road, Chennai- 600 002,
Tamil Nadu, India.
Telephone: +91- 44 – 4002 0700
Facsimile: N.A.
E-mail: priya@cameoindia.com
Website: www.cameoindia.com// https://rights.cameoindia.com/enbee
Investor Grievance e-mail: investor@cameoindia.com
Contact Person: K. Sreepriya
SEBI Registration No.: INR000003753
Validity of Registration: Permanent

The Issue will remain open for a minimum period of 7 (seven) days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment ("**FDI**") and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) ("**DPIIT**"), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2017 ("**FDI Circular 2017**"), which, with effect from August 28, 2017, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on August 28, 2017. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2017 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict between FEMA and such policy pronouncements, FEMA prevails. The Consolidated FDI Policy, issued by the DIPP, consolidates the policy framework in place as on August 27, 2017, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore the Consolidated FDI Policy will be valid until the DIPP issues an updated circular.

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 falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the existing policy of the Government of India, erstwhile OCBs cannot participate in this Issue.

The above information is given for the benefit of the Applicants / Investors. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION VIII – STATUTORY AND OTHER INFORMATION

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialized form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date i.e. Wednesday, May 10, 2023.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, would be available on the website of the Company at www.enbeetrade.com from the date of this Letter of Offer until the Issue Closing Date.

1. Material Contracts for the Issue

(i) Issue Agreement dated February 06, 2023 entered into between our Company and the Lead Manager.

(ii) Registrar Agreement dated November 7, 2022 entered into amongst our Company and the Registrar to the Issue.

(iii) Escrow Agreement dated April 19, 2023 amongst our Company, the Lead Manager, the Registrar to the Issue and the Bankers to the Issue.

2. Material Documents

(i) Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.

(ii) Annual Reports of the Company for the past five years.

(iii) Certificate of incorporation dated July 24, 1985.

(iv) Certificate of commencement of business dated August 6, 1985.

(v) Resolution of the Board of Directors dated January 12, 2023 read with resolution passed by our Board on December 24, 2021 and the resolution passed in the meeting of the Rights Issue Committee held on May 4, 2023, in relation to the Issue.

(vi) Resolution of the Board of Directors dated February 28, 2023 approving and adopting this Draft Letter of Offer.

(vii) Resolution of the Rights Issue Committee dated April 4, 2023 approving and adopting the Letter of Offer.

(viii) Resolution of the Rights Issue Committee dated April 4, 2023, finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio.

(ix) Consent of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Lead manager, Bankers to the Issue, Legal Advisor, the Registrar to the Issue for inclusion of their names in the Draft Letter of Offer in their respective capacities.

(x) The report dated May 30, 2022 of the Statutory Auditor, on our Audited Financial Statements for the financial year ended March 31, 2022, included in this Letter of Offer.

(xi) The limited review report dated February 7, 2023 on the unaudited financial results for the nine month period ended December 31, 2022 included in this Letter of Offer.

(xii) Statement of Tax Benefits dated February 28, 2023 from the Statutory Auditor included in this Letter of Offer.

(xiii) Tripartite Agreement dated January 11, 2008 between our Company, NSDL and the Registrar to the Issue.

(xiv) Tripartite Agreement dated February 25, 2008 between our Company, CSDL and the Registrar to the Issue.

(xv) In principle listing approval dated April 19, 2023 issued by BSE.

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Amarr Narendra Galla
(Chairman and Managing Director)

Sd/-

Ssamta Amar Gaala
(Whole-time Director)

Sd/-

Akash Shailesh Gangar
(Independent Director)

Sd/-

Jayesh Gulabbhai Patel
(Independent Director)

SIGNED BY OUR CHIEF FINANCIAL OFFICER

Sd/-

Meyhul Narendra Gaala

Place: Mumbai

Date: May 4, 2023