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PROSPECTUS
Dated May 14, 2022
(Please read Section 26 of the Companies Act, 2013)
100% Book Built Offer

Prudent
— Money through wisdom —

PRUDENT CORPORATE ADVISORY SERVICES LIMITED

CORPORATE IDENTITY NUMBER: U91120GJ2003PLC042458

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON
Prudent House, 3 Devang Park Society Panjarapole Cross Road Ambawadi, Ahmedabad-380 015 Gujarat	3rd Floor, HUB Town Solaris Telli Gally Junction, N.S. Marg Andheri East, Mumbai- 400 069 Maharashtra	Dhavalkumar Ghetia *Company Secretary and Compliance Officer*
EMAIL	**TELEPHONE**	**WEBSITE**
cs@prudentcorporate.com	**Registered Office**: +91 79 4020 9600 **Corporate Office**: +91 22 4212 4600	www.prudentcorporate.com

OUR PROMOTER: SANJAY SHAH

DETAILS OF OFFER TO PUBLIC

TYPE	FRESH ISSUE SIZE (₹ IN MILLION)	OFS SIZE (NO. OF EQUITY SHARES/ AMOUNT (₹ IN MILLION)	TOTAL ISSUE SIZE (₹ IN MILLION)	ELIGIBILITY- 6(1)/6(2) & SHARE RESERVATION AMONG QIBs, NIBs, RIBs & EMPLOYEES
Offer for Sale	N.A.	8,549,340 Equity Shares aggregating to ₹ 5,379.37 million#	₹ 5,379.37 million#	The Offer is being made pursuant to Regulation 6(1) of the SEBI ICDR Regulations. For details in relation to share reservation among QIBs, NIBs, RIBs and Eligible Employees, see "*Offer Structure*" on page 325.

DETAILS OF OFFER FOR SALE BY OTHER SELLING SHAREHOLDERS

NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED/ AMOUNT (₹ IN MILLION)	WEIGHTED AVERAGE COST OF ACQUISITIONON FULLY DILUTED BASIS (IN ₹)*
WAGNER LIMITED	Investor	8,281,340 Equity Shares aggregating to ₹ 5,210.74 million#	Nil
SHIRISH PATEL	Other	268,000 Equity Shares aggregating to ₹ 168.63 million#	Nil

* *As certified by M/s Pramodkumar Dad & Associates, Chartered Accountants, by way of their certificate dated May 14, 2022.*
\# *Subject to finalization of the Basis of Allotment*

RISKS IN RELATION TO THE FIRST OFFER- The face value of the Equity Shares is ₹5 each. The Floor Price, Cap Price and the Offer Price determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "*Basis for Offer Price*" on page 84 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 27.

ISSUER'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus asa whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The Selling Shareholders accepts responsibility for and confirm the statements made by them in this Prospectus to the extent of information specifically pertaining to them and their respective portion of offered shares and assume responsibility that such statements are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus and this Prospectus are proposed to be listed on the Stock Exchanges being BSE and NSE. For the purposes of the Offer, BSE is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

ICICI Securities	AXIS CAPITAL	Equirus onward upward
ICICI Securities Limited	**Axis Capital Limited**	**Equirus Capital Private Limited**
Contact person: Shekher Asnani/ Gaurav Mittal **Telephone**: + 91 22 6807 7100 **E-mail:** prudent.ipo@icicisecurities.com	**Contact person:** Akash Aggarwal/ Harish Patel **Telephone**: +91 22 4325 2183 **E-mail**: prudent.ipo@axiscap.in	**Contact person**: Ankesh Jain **Telephone**: +91 22 4332 0700 **E-mail**: prudent.ipo@equirus.com

REGISTRAR TO THE OFFER

NAME OF THE REGISTRAR	CONTACT PERSON	EMAIL AND TELEPHONE
Link Intime India Private Limited	Shanti Gopalkrishnan	**Telephone:** +91 22 4918 6200 **E-mail**: prudent.ipo@linkintime.co.in

BID/OFFER PROGRAMME

ANCHOR INVESTOR BIDDING DATE*	**MONDAY, MAY 9, 2022**
BID/OFFER OPENED ON	**TUESDAY, MAY 10, 2022**
BID/OFFER CLOSED ON	**THURSDAY, MAY 12, 2022**

* *The Anchor Investor Bid/Offer Period was one Working Day prior to the Bid/Offer Opening Date.*

PRUDENT CORPORATE ADVISORY SERVICES LIMITED

Our Company was incorporated on June 4, 2003, as '*Prudent Corporate Advisory Services Limited*', a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, Gujarat at Ahmedabad. Our Company commenced its operations pursuant to a certificate for commencement of business dated June 20, 2003, issued by the RoC. For details of the change in the Registered Office of our Company, see the section titled "*History and Certain Corporate Matters*" on page 166.

Registered Office: Prudent House, 3 Devang Park Society, Panjarapole Cross Road, Ambawadi, Ahmedabad 380 015, Gujarat; **Tel:** +91 79 4020 9600

Corporate Office: 3rd Floor, HUB Town Solaris, Telli Gally Junction, NS Marg, Andheri East, Mumbai 400069, Maharashtra; **Tel:** +91 22 4212 4600

Contact Person: Dhavalkumar Ghetia, Company Secretary and Compliance Officer; **E-mail:** cs@prudentcorporate.com

Website: www.prudentcorporate.com; **Corporate Identity Number**: U91120GJ2003PLC042458

OUR PROMOTER IS SANJAY SHAH

INITIAL PUBLIC OFFER OF 8,549,340# EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH (THE "EQUITY SHARES") OF PRUDENT CORPORATE ADVISORY SERVICES LIMITED (OUR "COMPANY") FOR CASH AT A PRICE OF ₹ 630 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 625 PER EQUITY SHARE) AGGREGATING TO ₹ 5,379.37 MILLION# (THE "OFFER"), COMPRISING AN OFFER FOR SALE OF 8,281,340# EQUITY SHARES AGGREGATING TO ₹ 5,210.74 MILLION# BY WAGNER LIMITED ("WAGNER") AND 268,000# EQUITY SHARES AGGREGATING TO ₹ 168.63 MILLION# BY SHIRISH PATEL (TOGETHER WITH WAGNER, THE "SELLING SHAREHOLDERS"). THIS OFFER INCLUDED A RESERVATION OF 113,835# EQUITY SHARES AGGREGATING TO ₹ 65.00 MILLION# (CONSTITUTING UP TO 0.27% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) FOR PURCHASE BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER CONSTITUTES AT LEAST 20.65% AND 20.37% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL, RESPECTIVELY.

 # SUBJECT TO FINALIZATION OF THE BASIS OF ALLOTMENT.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 5 EACH. THE OFFER PRICE IS 126 TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT SIZE WERE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, AND ADVERTISED IN EDITIONS OF FINANCIAL EXPRESS, AN ENGLISH NATIONAL DAILY NEWSPAPER, EDITIONS OF JANSATTA, A HINDI NATIONAL DAILY NEWSPAPER AND EDITIONS OF JAIHIND, A GUJARATI DAILY NEWSPAPER (GUJARATI BEING THE REGIONAL LANGUAGE OF GUJARAT, WHERE OUR REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS" AND WAS MADE AVAILABLE TO THE STOCK EXCHANGES FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

The Offer has been made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the "**SCRR**") read with Regulation 31 of the SEBI ICDR Regulations. The Offer has been made through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations, where not more than 50% of the Net Offer was available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Category**"), provided that our Company and Selling Shareholders in consultation with the BRLMs, allocated up to 60% of the QIB Category to Anchor Investors, on a discretionary basis (the "**Anchor Investor Portion**"), of which one-third was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the price at which Equity Shares are allocated to Anchor Investors. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15.00% of the Net Offer was made available for allocation to Non-Institutional Bidders, of which (a) one third of such portion was reserved for applicants with application size of more than ₹200,000 and up to ₹1 million; and (b) two third of such portion was reserved for applicants with application size of more than ₹1 million, provided that the unsubscribed portion in either of such sub-categories was allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35.00% of the Net Offer was made available for allocation to Retail Individual Bidders ("**RIBs**") in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price.All potential Bidders (other than Anchor Investors) were required to mandatorily participate in this Offer through the Application Supported by Block Amount ("**ASBA**") process and were required to provide details of their respective bank account (including UPI ID for UPI Bidders using the UPI Mechanism) in which the Bid Amount was blocked by the SCSBs or the Sponsor Bank under the UPI Mechanism, as the case may be. Anchor Investors were not permitted to participate in the Offer through the ASBA process. For details, specific attention is invited to "*Offer Procedure*" on page 329.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 5 each. The Floor Price, Cap Price and Offer Price, as determined and justified by our Company and the Selling Shareholders in consultation with the BRLMs, in accordance with SEBI ICDR Regulations and as stated in "*Basis for Offer Price*" on page 84, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to "*Risk Factors*" beginning on page 27.

ISSUER'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer; that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission or inclusion of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each Selling Shareholder severally and not jointly accepts responsibility for and confirms only statements made or undertaken expressly by such Selling Shareholder in this Prospectus solely in relation to itself and the respective portion of the Offered Shares offered by such Selling Shareholder and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares, offered through the Red Herring Prospectus and this Prospectus, are proposed to be listed on BSE and NSE. We have received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated September 2, 2021 and September 9, 2021, respectively. For the purposes of the Offer, the Designated Stock Exchange shall be BSE. A signed copy of the Red Herring Prospectus has been and this Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" beginning on page 385.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER
ICICI Securities Limited ICICI Venture House Appasaheb Marathe Marg, Prabhadevi Mumbai – 400025, Maharashtra **Tel:** + 91 22 6807 7100 **E-mail:** prudent.ipo@icicisecurities.com **Investor Grievance e-mail:** customercare@icicisecurities.com **Website:** www.icicisecurities.com **Contact Person:** Shekher Asnani / Gaurav Mittal **SEBI Registration No.:** INM000011179	**Axis Capital Limited** 1st Floor, Axis House C-2, Wadia International Centre P.B. Marg, Worli Mumbai 400 025, Maharashtra **Tel:** +91 22 4325 2183 **E-mail:** prudent.ipo@axiscap.in **Investor Grievance e-mail:** complaints@axiscap.in **Website:** www.axiscapital.co.in **Contact Person:** Akash Aggarwal/ Harish Patel **SEBI Registration No.:** INM000012029	**Equirus Capital Private Limited** 12th Floor, C Wing, Marathon Futurex N. M. Joshi Marg, Lower Parel, Mumbai 400 013, Maharashtra **Tel:** +91 22 4332 0700 **E-mail:** prudent.ipo@equirus.com **Investor Grievance e-mail:** investorsgrievance@equirus.com **Website:** www.equirus.com **Contact Person:** Ankesh Jain **SEBI Registration No.**: INM000011286	**Link Intime India Private Limited** C 101, 247 Park L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra **Tel:** +91 22 4918 6200 **E-mail:** prudent.ipo@linkintime.co.in **Investor grievance e-mail:** prudent.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Contact person:** Shanti Gopalkrishnan **SEBI registration number:** INR000004058

BID/OFFER PROGRAMME

BID/OFFER OPENED ON	**TUESDAY, MAY 10, 2022***
BID/OFFER CLOSED ON	**THURSDAY, MAY 12, 2022**

** The Anchor Investor Bid/Offer Period was one Working Day prior to the Bid/Offer Opening Date.*

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended from time to time.

The words and expressions used in this Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in the chapters/sections entitled "Statement of Special Tax Benefits", "Industry Overview", "Our Business", "Key Regulations and Policies in India", "Financial Information", "Outstanding Litigation and Other Material Developments" and "Description of Equity Shares and Terms of Articles of Association" will have the meaning ascribed to such terms in these respective chapters/sections.

General Terms

Term	Description
"our Company", "the Company", "Prudent Corporate" or "the Issuer"	Prudent Corporate Advisory Services Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at Prudent House, 3 Devang Park Society, Panjarapole Cross Road, Ambawadi, Ahmedabad 380 015, Gujarat and Corporate Office at 3rd Floor, HUB Town Solaris, Telli Gally Junction, NS Marg, Andheri East, Mumbai 400069, Maharashtra
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries

Company Related Terms

Term	Description
Articles of Association/ AoA	Articles of Association of our Company, as amended
Audit Committee	Audit Committee of our Company as described in "*Our Management*" on page 173
"Auditors" or "Statutory Auditors"	Statutory auditors of our Company, namely, Deloitte Haskins & Sells, Chartered Accountants
"Board" or "Board of Directors"	Board of directors of our Company, as constituted from time to time
"Chief Executive Officer" or "CEO"	Chief Executive Officer of our Company, being Shirish Patel
"Chief Financial Officer" or "CFO"	Chief Financial Officer of our Company, being Chirag Kothari
Chairman and Managing Director	Chairman and managing director of our Board, being Sanjay Shah
Company Secretary and Compliance Officer	Company Secretary and Compliance Officer of our Company, being Dhavalkumar Ghetia
Corporate Office	Corporate office of our Company located at 3rd Floor, HUB Town Solaris, Telli Gally Junction, NS Marg, Andheri East, Mumbai 400069, Maharashtra
"Corporate Social Responsibility Committee" or "CSR Committee"	The Corporate Social Responsibility Committee of our Company as described in "*Our Management*" on page 173
Director(s)	Director(s) on the Board of our Company, as appointed from time to time
Equity Shares	Equity shares of our Company of face value of ₹ 5 each
Executive Directors	Executive Directors of our Company, as appointed from time to time
Gennext	Gennext Insurance Brokers Private Limited
Group Company	In terms of SEBI ICDR Regulations, the term "group companies" includes companies (other than our Promoter and Subsidiaries) with which there were related party transactions as disclosed in the Restated Consolidated Financial Information as covered under the applicable accounting standards and such other companies as considered material by our Board, as identified in the section entitled "*Our Group Company*" on page 193
Independent Director	Independent Director(s) on our Board, as appointed from time to time
IPO Committee	The IPO Committee of our Company as described in "*Our Management*" on page 173
Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, and includes key managerial personnel in terms of the Companies Act, 2013, and disclosed in "*Our Management – Key Managerial Personnel*" on page 189

Term	Description
Materiality Policy	The policy adopted by our Board on August 11, 2021, for identification of material: (a) outstanding litigation proceedings; (b) group companies; and (c) creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus
Material Subsidiary	Gennext Insurance Brokers Private Limited
Memorandum of Association or MoA	Memorandum of Association of our Company, as amended
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Company as described in "*Our Management*" on page 173
PBSPL	Prudent Broking Services Private Limited
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations. For details, please see the section entitled "*Our Promoter and Promoter Group*" on page 191
Promoter	Promoter of our Company namely, Sanjay Shah. For details, please see the section entitled "*Our Promoter and Promoter Group*" on page 191.
Prutech	Prutech Financial Services Private Limited
Registered Office	Registered office of our Company located at Prudent House, 3 Devang Park Society, Panjarapole Cross Road, Ambawadi, Ahmedabad 380 015, Gujarat
Registrar of Companies or RoC	Registrar of Companies, Gujarat at Ahmedabad
Restated Consolidated Financial Information	The restated consolidated statements of assets and liabilities as at and for the nine months ended December 31, 2021 and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019, and the restated consolidated statement of profit and loss (including other comprehensive income), restated consolidated changes in equity and the restated consolidated statements of cash flows for the nine months ended December 31, 2021 and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 together with the summary of significant accounting policies and explanatory notes prepared in accordance with the Companies Act, SEBI ICDR Regulations and the ICAI Guidance Note read with the general directions dated October 28, 2021 received from SEBI, as applicable.
Risk Management Committee	The Risk Management Committee of our Company as described in "*Our Management*" on page 173
Selling Shareholders	Collectively, Wagner and Shirish Patel
SHA	Shareholders agreement and share purchase and share subscription agreement, each dated June 8, 2018, entered into among our Company, Wagner, our Promoter, Shirish Patel, Harshida Patel, certain members of our Promoter Group, Subsidiaries, and Prudent Comder Private Limited (*since amalgamated with PBSPL*) and amendment agreement dated July 26, 2021
Shareholders	Equity shareholders of our Company, from time to time
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Company as described in the section entitled "*Our Management*" on page 173
Subsidiaries or individually known as Subsidiary	Subsidiaries of our Company, namely, PBSPL, Prutech and Gennext
Wagner	Wagner Limited

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document to be issued by the relevant Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allot/Allotment/Allotted	Unless the context otherwise requires, transfer of the Equity Shares by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Escrow Accounts	Accounts opened with Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through direct credit, NEFT, RTGS or NACH in respect of the Bid Amount when submitting a Bid
Anchor Investor	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion in accordance with the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹100 million.
Anchor Investor Allocation Price	The price at which Equity Shares was allocated to Anchor Investors at the end of the Anchor Investor Bid/Offer Period, in terms of the Red Herring Prospectus and this Prospectus. The Anchor Investor Allocation Price was determined by our Company and

Term	Description
	the Selling Shareholders, in consultation with the BRLMs during the Anchor Investor Bid / Offer Period.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which was considered as an application for Allotment in terms of the Red Herring Prospectus and this Prospectus
Anchor Investor Bid/Offer Period	One Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors were submitted, and allocation to Anchor Investors was completed, being May 9, 2022
Anchor Investor Offer Price	Final price, being ₹ 630 at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and this Prospectus, which price is equal to the Offer Price.
Anchor Investor Pay-In Date	The Anchor Investor Bid/Offer Period
Anchor Investor Portion	60% of the QIB Portion, consisting of 2,530,651 Equity Shares*, which were allocated by our Company and the Selling Shareholders, in consultation with the BRLMs to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. * *Subject to finalization of the Basis of Allotment*
Application Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and includes applications made by UPI Bidders using the UPI Mechanism where the Bid Amount is blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the ASBA Form and will include amounts blocked by SCSB or the account of the RIBs blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders, which was considered as the application for Allotment in terms of the Red Herring Prospectus and this Prospectus
Axis	Axis Capital Limited
Banker(s) to the Offer	Collectively, The Escrow Collection Bank(s), Refund Bank(s), Public Offer Account Bank(s) and the Sponsor Bank, as the case may be
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, as described in the section entitled "*Offer Procedure*" on page 329
Bid	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Offer Period by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations as per the terms of the Red Herring Prospectus and the Bid Cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Amount	The highest value of the optional Bids as indicated in the Bid cum Application Form and paid by the Bidder or as blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Offer However, Eligible Employees who applied in the Employee Reservation Portion were allowed to apply at the Cut-off Price and the Bid amount was Cap Price net of Employee Discount, multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form
Bid cum Application Form	The form in terms of which the Bidder shall make a Bid, including ASBA Form, and which shall be considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and this Prospectus
Bid Lot	23 Equity Shares and in multiples of 23 Equity Shares thereafter
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries did not accept any Bids, being May 12, 2022, which was notified in editions of Financial Express, an English national newspaper, editions of Jansatta, a Hindi national newspaper and editions of Jaihind, a Gujarati daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located) each with wide circulation.
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries started accepting Bids, being May 10, 2022, which was notified in editions of Financial Express, an English national newspaper, editions of

Term	Description
	Jansatta, a Hindi national newspaper and editions of Jaihind, a Gujarati daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation
Bid/Offer Period	Except in relation to any Bids received from Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders could submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus.
Bidder	Any investor who made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, and includes an ASBA Bidder and an Anchor Investor
Bidding Centers	Centers at which at the Designated Intermediaries accepted the ASBA Forms, i.e, Designated Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer has been made
BRLMs or Book Running Lead Managers	The book running lead managers to the Offer namely, ICICI Securities Limited, Axis Capital Limited and Equirus Capital Private Limited
Broker Centres	Broker centres of the Registered Brokers notified by the Stock Exchanges where Bidders could submit the ASBA Forms to a Registered Broker The details of such Broker Centres, along with the names and contact details of the Registered Brokers were available on the respective websites of the Stock Exchanges, www.bseindia.com and www.nseindia.com, as updated from time to time
"CAN" or "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares sent to successful Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bid/Offer Period
Cap Price	The higher end of the Price Band, that is, ₹ 630, above which the Offer Price and the Anchor Investor Offer Price were not finalised and above which no Bids were accepted
Cash Escrow and Sponsor Bank Agreement	Agreement dated May 2, 2022 entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Syndicate Member and the Bankers to the Offer for among other things, collection of the Bid Amounts, transfer of funds to the Public Offer Accounts, and where applicable remitting refunds, if any, to the Anchor Investors, on the terms and conditions thereof.
Client ID	Client identification number of the Bidder's beneficiary account maintained with one of the Depositories in relation to the demat account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars, issued by SEBI, as per the list available on the websites of the Stock Exchanges, www.bseindia.com and www.nseindia.com, as updated from time to time
CRISIL	CRISIL Limited
CRISIL Report	Report titled "*Assessment of financial products distribution industry in India*" dated December 2021, exclusively prepared by CRISIL and, commissioned and paid for by our Company specifically in connection with the Offer, pursuant to an engagement letter dated May 6, 2021.
Cut-off Price	The Offer Price, that is ₹ 630, finalized by our Company and the Selling Shareholders, in consultation with the BRLMs. Only Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion were entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors were not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation, PAN, bank account details and UPI ID wherever applicable
Designated Branches	Such branches of the SCSBs which collected the Bid cum Application Form used by Bidders (other than Anchor Investors), a list of which is available at the website of the SEBI (www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time
Designated CDP Locations	Such centres of the Collecting Depository Participants where Bidders (other than Anchor Investors) could submit the Bid cum Application Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs are available on the respective websites of the Stock Exchanges and updated from time to time
Designated Date	The date on which the funds from the Anchor Escrow Accounts are transferred to the Public Offer Account or the Refund Account(s), as appropriate, and the relevant amounts blocked by the SCSBs are transferred from the ASBA Accounts, to the Public Offer

Term	Description
	Account and/or are unblocked, as applicable, in terms of the Red Herring Prospectus and this Prospectus after finalization of basis of allotment with the Designated Stock Exchange, following which the Board of Directors or IPO Committee may Allot Equity Shares to successful Bidders in the Offer
Designated Intermediaries	In relation to ASBA Forms submitted by RIBs, Eligible Employee(s), Eligible Policyholder(s) and Non-Institutional Bidders with an application size of up to ₹ 500,000 (not using the UPI Mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount was blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs, and RTAs. In relation to ASBA Forms submitted by QIBs NIIs, Eligible Employees, Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate/agents, Registered Brokers, CDPs and RTAs
Designated RTA Locations	Such centres of the RTAs where Bidders (other than Anchor Investors) could submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) and updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which collected the ASBA Forms, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	BSE
"Draft Red Herring Prospectus" or "DRHP"	The Draft Red Herring Prospectus dated August 12, 2021, issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars, including of the Offer Price and the size of the Offer
Eligible Employees	All or any of the following: (1) a permanent employee of our Company or of our Subsidiaries, working in India or outside India (excluding such employees not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines), as on the date of filing of the Red Herring Prospectus with the RoC and who continue to be a permanent employee of our Company or any of our Subsidiaries until the submission of the Bid cum Application Form; or (2) a Director, whether a whole time Director or otherwise, who is eligible to apply under the Employee Reservation Portion under applicable law as on the date of the Red Herring Prospectus and who continues to be a Director of our Company, as of the date of submission of the Bid cum Application Form, but not including Directors who either themselves or through their relatives or through any body corporate, directly or indirectly, hold more than 10% of the outstanding Equity Shares. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000 (net of Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000 (net of Employee Discount). Only in the event of an under-subscription in the Employee Reservation Portion post initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000 (net of Employee Discount) subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000 (net of Employee Discount).
Eligible FPI(s)	FPIs that are eligible to participate in this Offer in terms of applicable laws, other than individuals, corporate bodies and family offices.
Eligible NRI(s)	A non-resident Indian, eligible to invest under the relevant provisions of the FEMA Rules, from a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus constitutes an invitation to subscribe for the Equity Shares
Employee Discount	Our Company and the Selling Shareholders in consultation with the BRLMs, offered a discount of of ₹ 59 per Equity Share to Eligible Employees
Employee Reservation Portion	The portion of the Offer that is 113,835* Equity Shares, aggregating to ₹ 65.00 million which was available for allocation to Eligible Employees, on a proportionate basis **Subject to finalization of Basis of Allotment*
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors transferred money through direct credit/NEFT/RTGS/NACH in respect of the

Term	Description
	Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The bank(s) which is/are clearing members and are registered with SEBI as bankers to an issue under the SEBI BTI Regulations and, with whom the Anchor Escrow Accounts in relation to the Offer for Bids by Anchor Investors were opened, in this case being Axis Bank Limited
Equirus	Equirus Capital Private Limited
First Bidder	Bidder whose name appeared first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name appeared as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, i.e. ₹ 595, at or above which the Offer Price and the Anchor Investor Offer Price which has been finalised and below which no Bids were accepted and which is not less than the face value of the Equity Shares
"General Information Document" or "GID"	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI / HO / CFD / DIL1 / CIR / P / 2020 / 37 dated March 17, 2020 and the circular no. SEBI / HO / CFD / DIL2 / CIR / P / 2020 / 50 dated March 30, 2020, as amended by SEBI from time to time and the UPI Circulars. The General Information Document was available on the websites of the Stock Exchanges and the BRLMs.
I-Sec	ICICI Securities Limited
Mutual Fund Portion	5% of the Net QIB Portion or 84,356 Equity Shares* which was available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price. * *Subject to finalization of the Basis of Allotment*
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Offer	The Offer less the Employee Reservation Portion
Net Proceeds	Proceeds of the Offer that will be available to our Company, i.e. gross proceeds of the Fresh Issue, less Offer expenses to the extent applicable to the Fresh Issue For further information about use of the Offer Proceeds and the Offer expenses, please see the section entitled "*Objects of the Offer*" on page 81
"Non-Institutional Bidders" or "NIBs" or "Non-Institutional Investors"	All Bidders that are not QIBs (including Anchor Investors) and Retail Individual Bidders who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Net Offer being not less than 15% of the Net Offer consisting of 1,265,326 Equity Shares* of which (a) one-third of the portion available to Non-Institutional Bidders was reserved for applicants with application size of more than ₹ 200,000 and up to ₹ 1,000,000, and (b) two third of the portion available to Non-Institutional Bidders was reserved for applicants with application size of more than ₹ 1,000,000, provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), could be allocated to applicants in the other sub-category of Non-Institutional Bidders. * *Subject to finalization of the Basis of Allotment*
Non-Resident	A person resident outside India, as defined under FEMA and includes a non resident Indian, FPIs and FVCIs
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Offer	The initial public offering of 8,549,340* Equity Shares for cash at a price of ₹ 630 each (including a premium of ₹ 625 per Equity Share), aggregating to ₹ 5,379.37 million*. The Offer comprises the Net Offer and Employee Reservation Portion. * *Subject to finalization of the Basis of Allotment.*
Offer Agreement	The agreement dated August 12, 2021, entered into amongst our Company, the Selling Shareholders and the BRLMs, pursuant to the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Offer
Offer for Sale	Offer of 8,281,340* Equity Shares aggregating to ₹ 5,210.74 million* by Wagner and 268,000* Equity Shares aggregating to ₹ 168.63 million* by Shirish Patel. * *Subject to finalization of the Basis of Allotment.*
Offer Price	The final price, that is ₹ 630, at which the Equity Shares will be Allotted to the successful Bidders (other than Anchor Investors), as determined in accordance with the Book Building Process and determined by our Company and the Selling Shareholders, in consultation with the BRLMs in terms of the Red Herring Prospectus on the Pricing Date. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus. A discount of ₹ 59 per Equity Share was offered to Eligible Employees bidding in the

Term	Description
	Employee Reservation Portion.
Offered Shares	8,549,340* Equity Shares aggregating to ₹ 5,379.37 million*, offered for sale pursuant to the Offer for Sale, comprising 8,281,340* Equity Shares aggregating to ₹ 5,210.74 million* by Wagner and 268,000* Equity Shares aggregating to ₹ 168.63 million* by Shirish Patel. * *Subject to finalization of the Basis of Allotment.*
Price Band	Price Band of the Floor Price and the Cap Price including any revisions thereof. The Price Band and the minimum Bid Lot size for the Offer were decided by our Company, in consultation with the BRLMs and advertised, at least two Working Days prior to the Bid/Offer Opening Date, in editions of Financial Express, an English national newspaper, editions of Jansatta, a Hindi national newspaper and editions of Jaihind, a Gujarati daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation. It was also made available to the Stock Exchanges for the purpose of uploading on their websites.
Pricing Date	The date on which our Company and the Selling Shareholders, in consultation with the BRLMs, finalized the Offer Price, in accordance with the Book Building Process and the Red Herring Prospectus and this Prospectus
Prospectus	This Prospectus dated May 14, 2022 of our Company to be filed with the RoC for this Offer after the Pricing Date, in accordance with Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations, containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information including any addenda or corrigenda thereto
Public Offer Account Bank	The banks which are clearing members and registered with SEBI under the SEBI BTI Regulations, with whom the Public Offer Account(s) has been opened and maintained, in this case being Axis Bank Limited
Public Offer Account(s)	Bank account(s) opened under the provisions of the of the Companies Act, 2013, with the Public Offer Account Bank, to receive monies from the Escrow Account and ASBA Accounts on the Designated Date
"QIB Category" or "QIB Portion"	The portion of the Offer, being not more than 50% of the Net Offer or 4,217,752 Equity Shares* which was Allotted to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation was on a discretionary basis, as determined by our Company and the Selling Shareholders, in consultation with the BRLMs, subject to valid Bids having been received at or above the Offer Price) * *Subject to finalization of the Basis of Allotment*
"Qualified Institutional Buyers", "QIBs" or "QIB Bidders"	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
"Red Herring Prospectus" or "RHP"	The Red Herring Prospectus of our Company dated May 2, 2022 issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which did not have complete particulars of the price at which the Equity Shares will be issued and the size of the Offer. The Red Herring Prospectus was filed with the RoC at least three working days before the Bid/Offer Opening Date.
Refund Account(s)	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	The Bankers to the Offer with whom the Refund Account(s) has been opened, in this case being Axis Bank Limited
Registered Brokers	Stock brokers registered with SEBI and the Stock Exchanges having nationwide terminals, other than the BRLMs and the Syndicate Member and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 and the UPI Circulars, issued by SEBI
Registrar Agreement	The agreement dated August 11, 2021, entered into amongst our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar and Share Transfer Agents or RTAs	Registrars to an issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars, issued by SEBI
"Registrar to the Offer" or "Registrar"	Link Intime India Private Limited
Resident Indian	A person resident in India, as defined under FEMA
"Retail Individual Bidder(s)" or "RIB(s)" or "Retail Individual Investors"	Individual Bidders, who could have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the Bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)

Term	Description
"Retail Portion"	The portion of the Offer being not less than 35% of the Net Offer consisting of 2,952,427 Equity Shares* which was available for allocation to Retail Individual Bidder(s) in accordance with the SEBI ICDR Regulations which shall was not less than the Minimum Bid Lot, subject to valid Bids being received at or above the Offer Price * *Subject to finalization of the Basis of Allotment*
"Revision Form"	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Bidders were not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion could revise their Bids during the Bid/Offer Period and were allowed to withdraw their Bids until Bid/Offer Closing Date.
"Self Certified Syndicate Bank(s)" or "SCSB(s)"	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount is blocked by authorising an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the 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. Applications through UPI in the Offer could be made only through the SCSBs mobile applications (apps) whose name appeared on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, as updated from time to time
Share Escrow Agent	Share escrow agent appointed pursuant to the Share Escrow Agreement, namely Link Intime India Private Limited.
Share Escrow Agreement	The agreement dated December 22, 2021 entered into amongst the Selling Shareholders, our Company and a share escrow agent, in connection with the transfer of the respective portion of Offered Shares and credit of such Equity Shares to the demat account of the Allottees.
Sponsor Bank	The Banker to the Offer registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Investors and carry out any other responsibilities, in terms of the SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in this case being Axis Bank Limited
Specified Locations	Bidding centres where the Syndicate accepted Bid cum Application Forms from the Bidders, a list of which is which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Stock Exchanges	Collectively, NSE and BSE
Syndicate	Collectively, the BRLMs and the Syndicate Member
Syndicate Agreement	Agreement dated May 2, 2022 entered into amongst the BRLMs, the Syndicate Member, our Company and the Selling Shareholders in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Member	Intermediary registered with SEBI who are permitted to carry out activities as an underwriter, namely, Equirus Securities Private Limited
Underwriters	BRLMs and the Syndicate Member
Underwriting Agreement	The agreement dated May 14, 2022, entered into amongst the Underwriters, our Company and the Selling Shareholders
UPI	Unified payments interface which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion, (ii) Eligible Employees, under the Employee Reservation Portion, and (iii) Non-Institutional Bidders with an application size of up to ₹ 500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.
UPI Circulars	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 SEBI circular no.

Term	Description
	SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID	Identity document created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI application) to the RIB initiated by the Sponsor Bank to authorize blocking of funds in the relevant ASBA Account through the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment In accordance with the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Bidders Biddingusing the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time
UPI Mechanism	The Bidding mechanism that was used by the UPI Bidders to make a Bid in the Offer in accordance with the UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Working Day	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI, including the UPI Circulars

Technical/Industry Related Terms/Abbreviations

Term	Description
AMFI	Association of Mutual Funds in India
AP	Authorised Persons
ARN	AMFI Registration Number
AUM	Assets under Management
AAUM	Average AUM
AMCs	Asset Management Companies
Anand Rathi Wealth	Anand Rathi Wealth Services Limited
Axis Bank	Axis Bank Limited
B2B2C	Business-to-business-to-consumer
B15	Beyond the top 15
B30	Beyond the top 30
BQP	Broker Qualified Persons
Brexit	The United Kingdom's exit from the European Union
CAGR	Compound Annual Growth Rate
CAMS	Computer Age Management Services Limited
CGU	Cash-generating-unit
CODM	Chief Operating Decision Maker
CPC	The Code of Civil Procedure, 1908
Capex	Capital expenditure
Citi Bank	CitiBank Limited
DWM	Digital Wealth Management
EBITDA	Restated profit for the period/year, adjusted to exclude tax expense, other income, depreciation and amortization expense, finance costs, and exceptional items.
ECL	Expected Credit Loss
ELSS	Equity Linked Savings Scheme
ETFs	Exchange-traded funds
FDs	Fixed deposits
FII	Foreign Institutional Investors

Term	Description
Fintech	Financial technology
FVPTL	Fair Value through Profit or Loss
FVTOCI	Fair value through Other Comprehensive Income
GAP	Gold Accumulation Plan
GDP	Gross Domestic Product
GDS	Gross Domestic Savings
GNDI	Gross National Disposable Income
GST	Goods and Services Tax
HDFC Bank	HDFC Bank Limited
HNI	High Net worth Individual
IBC	Insolvency and Bankruptcy Code
ICICI Bank	ICICI Bank Limited
ICICI Securities	ICICI Securities Limited
IFAs	Independent financial advisors
IIFL Wealth	IIFL Wealth Limited
IMF	International Monetary Fund
ISSL	IL&FS Securities Services Limited
IT	Information Technology
KUA	KYC User Agency
Kotak Mahindra Bank	Kotak Mahindra Bank Limited
LAS	Loan-against-securities
MF	Mutual Fund
MAAUM	Monthly AAUM
MFDs	Mutual Fund Distributors
MNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
MOSPI	Ministry of Statistics and Program Implementation
MTM	Mark-to-Market
NBP	New business premium
NCFE-FLIS	National Financial Literacy and Inclusion Survey
NDs	National Distributors
NJ	NJ Insurance Brokers Private Limited
NJ India Invest	NJ India Invest Private Limited
NPD	Non-personal Data
NPS	National Pension Scheme
NSO	National Statistics Office
NSSO	National Sample Survey Office
NPD Committee	A committee of experts formed by the Ministry of Electronics and Information Technology in September 2019 to recommend a regulatory regime to govern non-personal data
OCI	Other Comprehensive Income
PAT	Profit after Tax
PDP Bill	Personal Data Protection Bill, 2019
PLI	Production Linked Incentive
PMS	Portfolio Management Services
POS	Point-of-Sale
POSP	Point-of-Sale Persons
Probus Insurance	Probus Insurance Brokers Private Limited
Prudent Corporate	Prudent Corporate Advisory Services Limited
QAAUM	Quarterly average AUM
RBI	Reserve Bank of India
RenewBuy	D2C Insurance Broking Private Limited
RMC	Risk Management Committee
RoU Assets	Right of Use Assets
RTAs	Registrar and Transfer Agents
SBI	State Bank of India
SIPs	Systematic Investment Plans
STT	Securities Transaction Tax
T15	Top 15
T30	Top 30
TER	Total Expense Ratio
Turtlemint	Invictus Insurance Broking Services Private Limited
UHNI	Ultra HNI
UTI	Unit Trust of India

Conventional and General Terms or Abbreviations

Term	Description
"₹", "Rs.", "Rupees" or "INR"	Indian Rupees
AIF(s)	Alternative Investment Fund(s) as defined in and registered with SEBI under the SEBI AIF Regulations
"AS" or "Accounting Standards"	Accounting Standards issued by the ICAI
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956, and the rules thereunder
Companies Act, 2013	The Companies Act, 2013, and the rules issued thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DPITT	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
DP ID	Depository Participant's Identification
"DP" or "Depository Participant"	A depository participant as defined under the Depositories Act
EGM	Extraordinary General Meeting
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, and the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
"Financial Year", "Fiscal", "fiscal" or "FY"	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FPI(s)	Foreign portfolio investor(s) as defined under the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
FVCI(s)	Foreign venture capital investor(s) as defined and registered under the SEBI FVCI Regulations
"GoI" or "Government"	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards as adopted by the International Accounting Standards Board
"Income Tax Act" or "IT Act"	The Income-tax Act, 1961
Ind AS	Indian Accounting Standards
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
MCLR	Marginal Cost of funds based Lending Rate
Mutual Fund(s)	Mutual funds registered under the SEBI (Mutual Funds) Regulations, 1996
"N.A." or "NA"	Not Applicable
NAV	Net Asset Value
NACH	National Automated Clearing House
NEFT	National Electronic Fund Transfer
Non-Resident	A person resident outside India, as defined under FEMA and includes a Non Resident Indian and FPIs
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the Ministry of Corporate Affairs, Government of India, and are currently in effect
NR	Non-resident
NRE Account	Non Resident External Account
NRI	An individual resident outside India who is a citizen of India or is an 'Overseas Citizen of

Term	Description
	India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
OCI	Other Comprehensive Income
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PFRDA	Pension Fund Regulatory and Development Authority
PFRDA (POP) Regulations	Pension Fund Regulatory and Development Authority (Point of Presence) Regulations, 2018
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RERA Act	Real Estate (Regulation and Development) Act, 2016
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI Certification of Associated Persons Regulations	Securities and Exchange Board of India (Certification of Associated Persons in the Securities Markets) Regulations, 2007
SEBI Depositories and Participants Regulations	Securities and Exchange Board of India (Depositories and Participants Regulations) 2018
SEBI ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Intermediaries Regulations	Securities and Exchange Board of India (Intermediaries) Regulations, 2008
SEBI Intermediaries Circular on Conflicts	Circular bearing number CIR/MIRSD/5/2013 dated August 27, 2013 issued by the Securities and Exchange Board of India on General Guidelines for dealing with Conflicts of Interest of Intermediaries, Recognised Stock Exchanges, Recognised Clearing Corporations, Depositories and their Associated Persons in Securities Market
SEBI Investment Advisers Regulations	Securities and Exchange Board of India (Investment Advisers) Regulations, 2013
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Portfolio Managers Regulations	Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020
SEBI Research Analysts Regulations	Securities and Exchange Board of India (Research Analysts) Regulations, 2014
SEBI Stock Brokers Regulations	Securities and Exchange Board of India (Stock-Brokers) Regulations, 1992
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996
STT	Securities Transaction Tax
Systemically Important NBFCs	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
"U.S.", "USA" or "United	United States of America

Term	Description
States”	
UK	United Kingdom
US GAAP	Generally Accepted Accounting Principles in the United States of America
“USD” or “US$”	United States Dollars
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.

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

Certain Conventions

All references in this Prospectus to "India" 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 and all references to the "US", "U.S." "USA" or "United States" are to the United States of America and its territories and possessions.

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

Financial Data

Unless stated otherwise or the context otherwise requires, the financial data in this Prospectus is derived from the Restated Consolidated Financial Information.

The restated consolidated statements of assets and liabilities for the nine months ended December 31, 2021 and as at March 31, 2021, March 31, 2020 and March 31, 2019, and the restated consolidated statement of profit and loss (including other comprehensive income), restated consolidated changes in equity and the restated consolidated statements of cash flows for the nine months ended December 31, 2021 and as at March 31, 2021, March 31, 2020 and March 31, 2019 together with the summary of significant accounting policies and explanatory notes prepared in accordance with the Companies Act, SEBI ICDR Regulations and the ICAI Guidance Note read with the general directions dated October 28, 2021 received from SEBI, as applicable.

For further information on our Company's financial information, see "*Restated Consolidated Financial Information*" beginning on page 197.

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references in this Prospectus to a particular Financial Year, Fiscal or Fiscal Year, unless stated otherwise, are to the 12-month period ended on March 31 of that particular calendar year.

There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS see "*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition*" on page 54. The degree to which the financial information included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Prospectus should accordingly be limited. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Unless the context otherwise indicates, any percentage or amounts (excluding certain operational metrics), with respect to financial information of our Company in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 27, 143 and 265, respectively, and elsewhere this Prospectus have been calculated on the basis of our Restated Consolidated Financial Information.

In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Restated Consolidated Financial Information in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. Further, any figures sourced from third party industry sources may be rounded off to other than to the second decimal to conform to their respective sources.

Non-GAAP Financial Measures

We have included certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance (together, "**Non-GAAP Financial Measures**" and each, a "**Non-GAAP Financial Measure**") in this Prospectus. These Non-GAAP Financial Measures are not required by or presented in accordance with IGAAP. We compute and disclose such Non-GAAP Financial Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of financial services businesses, many of which provide such Non-GAAP Financial Measures and other statistical and operational information when reporting their financial results. However, note that these Non-GAAP Financial Measures and other statistical information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore, may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other small finance banks or financial services companies.

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; and
- "USD" or "US$" or "$" are to United States Dollar, the official currency of the United States of America.

Our Company has presented certain numerical information in this Prospectus. All figures have been expressed in "million", except where specifically indicated. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000. One lakh represents 100,000 and one crore represents 10,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Exchange Rates

This Prospectus contains conversion 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 Rupee and other foreign currencies:

Currency	As at			
	December 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
1 USD	74.30	73.50	75.39	69.17*

Source: www.fbil.org.in

**Exchange rate as on March 29, 2019, as RBI Reference Rate is not available for March 30, 2019 being Saturday and March 31, 2019 being a Sunday.*

Industry and Market Data

Unless stated otherwise, industry and market data used in this Prospectus has been obtained or derived from publicly available information as well as industry publication and sources. Further, the information has also been derived from the industry report titled "*Assessment of financial products distribution industry in India*" dated December 2021, exclusively prepared by CRISIL Research, a division of CRISIL Limited, commissioned and paid for by our Company specifically in connection with the Offer, pursuant to an engagement letter dated May 6, 2021. CRISIL Research is not related to our Company, Directors or

Promoters. For risks in relation to commissioned reports, see "*Risk Factors – We have commissioned and paid for an industry report from CRISIL Limited specifically for the purpose of the Offer, which has been used for industry related data in this Prospectus*" on page 33.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. 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 and assumptions that may prove to be incorrect.

In accordance with the SEBI ICDR Regulations, "*Basis for Offer Price*" beginning on page 84 includes information relating to our peer group companies. Accordingly, no investment decision should be made solely on the basis of such information.

The extent to which the market and industry data used in this Prospectus 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 business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" beginning on page 27. Accordingly, investment decisions should not be based solely on such information.

Disclaimer of CRISIL

"*CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Prudent Corporate Advisory Services Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL Ratings Limited / CRISIL Risk and Infrastructure Solutions Ltd (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL Ratings Limited / CRIS. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval.*"

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "can", "shall", "could", "expect", "estimate", "intend", "likely to", "may", "objective", "plan", "seek", "propose", "project", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward looking statements.

All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. All statements in this Prospectus that are not statements of historical fact are 'forward – looking statements'.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its 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 domestic laws, regulations and taxes and changes in competition in the industries in which we operate, incidence of any natural calamities and/or acts of violence.

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

- Highly regulated environment, which is subject to change, and existing and new laws, regulations and government policies affecting the sectors in which we operate;
- Non-compliance with regulatory guidelines and directions/ observations during inspection by regulatory organisations;
- Outstanding criminal case in which the Economic Offences Wing has issued notices to Prudent Comder Private Limited (since merged with our Subsidiary, Prudent Broking Services Private Limited ("PBSPL")), our Promoter and a director of our Subsidiary and an outstanding SEBI matter against PBSPL;
- Recommendations, suggestions and advice provided by Mutual Fund Distributorss using our platform to their clients may be subject to errors or fraudulent behaviour and are beyond our control;
- Failure to continue to innovate and further develop our platform or our platform developments do not perform, or we are not able to keep pace with technological developments;
- Dependency of our business operations on information technology and failure or disruption of our Information Technology systems;
- Systems failures and resulting interruptions in the availability of our platform; and
- Inability to grow at our historical rates.

For details regarding factors that could cause actual results to differ from expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 27, 143 and 265, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward- looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect current views as on the date of this Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Neither our Company, the BRLMs, our Promoter, our Directors, the Selling Shareholders, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company and the BRLMs will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for the Offer.

In accordance with requirements of SEBI and as prescribed under applicable law, each of the Selling Shareholders shall, severally and not jointly, ensure that the Bidders in India are informed of material developments, in relation to statements and undertakings specifically undertaken or confirmed by it in relation to itself and its respective portion of the Offered Shares in this Prospectus, from the date of this Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges.

SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of the terms of the Offer and is not exhaustive. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including "*Risk Factors*", "*The Offer*", "*Capital Structure*", "*Objects of the Offer*", "*Industry Overview*", "*Our Business*", "*Restated Consolidated Financial Information*", "*Outstanding Litigation and Other Material Developments*", "*Offer Procedure*" and "*Description of Equity Shares and Terms of Articles of Association*" beginning on pages 27, 56, 70, 81, 93, 143, 197, 298, 329 and 349, respectively.

Summary of the business of our Company

We are an independent retail wealth management services group in India and are amongst the top mutual fund distributors in terms of average assets under management ("**AAUM**") and commission received (*Source: CRISIL Report*). We offer a technology enabled, comprehensive investment and financial services platform with end-to-end solutions critical for financial products distribution and presence across both online and offline channels. We provided wealth management services to 1,351,274 unique retail investors through 23,262 MFDs on our B2B2C platform and are spread across branches in 110 locations in 20 states in India, as on December 31, 2021.

Summary of the industry in which our Company operates

The financial distribution industry in India has grown rapidly. In the long term, i.e. between March 2021 and March 2026, the overall industry's AUM is projected to sustain a high growth trajectory of 11-13% CAGR, reaching ₹ 57 trillion. National distributors ("**NDs**"), among others offer services such as execution of trades, account administration, in-depth investment research and custodian services. Typically, Independent financial advisors ("**IFAs**") and insurance agents cater to retail investors. So far, banks and NDs have dominated the mutual fund distribution industry, together accounting for ₹ 6.55 trillion of average AUM, as per AMFI's Commission Report of 2020-21. (*Source: CRISIL Report*)

Name of our Promoter

Our Promoter is Sanjay Shah.

Offer size

Offer of 8,549,340* Equity Shares for cash at a price of ₹ 630 per Equity Share (including a premium of ₹ 625 per Equity Share) aggregating to ₹ 5,379.37 million* comprising of an Offer for Sale of 8,281,340* Equity Shares aggregating to ₹ 5,210.74 million* by Wagner and 268,000* Equity Shares aggregating to ₹ 168.63 million* by Shirish Patel. For details, please see "*Other Regulatory and Statutory Disclosures*" on page 309.

* *Subject to finalization of the Basis of Allotment.*

Objects of the Offer

The objects of the Offer are to (i) to carry out the Offer for Sale; and (ii) achieve the benefits of listing the Equity Shares on the Stock Exchanges. Our Company will not receive any proceeds from the Offer and all such proceeds will go to the Selling Shareholders.

Aggregate pre-Offer shareholding of our Promoter, Promoter Group and the Selling Shareholders

The aggregate pre-Offer shareholding of our Promoter, Promoter Group and the Selling Shareholders as a percentage of the pre-Offer paid-up Equity Share capital of our Company is set out below:

S. No.	Name of shareholder	Number of Equity Shares	% of pre-Offer capital
Promoter			
1.	Sanjay Shah	17,952,250	43.36
Sub total (A)		*17,952,250*	*43.36*
Promoter Group			
1.	Maitry Shah	2,760,000	6.67
2.	Sakhi Shah	2,760,000	6.67
3.	Rameshchandra Shah	27,400	0.07

S. No.	Name of shareholder	Number of Equity Shares	% of pre-Offer capital
4.	Ramesh C. Shah HUF	4,000	0.01
5.	Sonal Paresh Mehta	1,500	Negligible
6.	Sunitaben Chetankumar Dhuvad	1,500	Negligible
7.	Sanjay Shah Family Trust	1,000	Negligible
8.	Hemang Ashokbhai Thekdi	1,250	Negligible
9.	Mayank Ashokbhai Thekdi	1,250	Negligible
10.	Vimalkumar Ashokbhai Thekdi	1,250	Negligible
Sub total (B)		*5,559,150*	*13.42*
Selling Shareholders			
1.	Wagner Limited	16,562,680	40.00
2.	Shirish Patel	1,304,000	3.15
Sub total (C)		*17,866,680*	*43.15*
Total (A+B+C)		**41,378,080**	**99.93**

Summary of Restated Consolidated Financial Information

A summary of the Restated Consolidated Financial Information, are as follows:

(₹ in million)

Particulars	As at and for the nine months ended December 31, 2021	As at and for the Financial Year ended March 31, 2021	As at and for the Financial Year ended March 31, 2020	As at and for the Financial Year ended March 31, 2019
Equity Share capital	207.03	10.34**	10.34	10.34
Total equity	2148.02	1,576.45	1,125.18	830.97
Total Income	3279.98	2,948.96	2,362.20	2,250.58
Restated profit (or loss) after tax for the period/year	576.28	452.97	278.53	210.19
Basic and diluted earnings per share (₹ / share)(Not Annualized)				
- **Basic (in ₹)**	13.94	10.96	6.74	5.08
- **Diluted (in ₹)**	13.94	10.94	6.73	5.08
Net asset value per Equity Share (basic)* (in ₹)	51.95	38.13	27.21	20.10
Net asset value per Equity Share (diluted)* (in ₹)	51.95	38.07	27.17	20.07
Total Borrowings (as per balance sheet)	330.02	26.10	77.56	228.72

** Net assets value per equity share (₹): Net assets at the end of the year/period divided by total number of weighted average equity share outstanding post bonus issue and stock split.*

** *Pursuant to the issuance of bonus shares and the stock split approved by the shareholders on July 23, 2021 as well as the conversion of compulsorily convertible preference shared held by Wagner approved by the shareholders on November 30, 2021, the present paid-up equity share capital of the Company is ₹ 207.03 million.*

For details, see "*Restated Consolidated Financial Information*" on page 196.

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

Our Statutory Auditors have not made any qualifications in the examination report that have not been given effect to in the Restated Consolidated Financial Information.

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, its Subsidiaries, Promoter, Directors, as on the date of this Prospectus, is provided below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or stock exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (₹ in million)
Company	Nil	4	Nil	Nil	Nil	4.17*
By the Company	Nil	Nil	Nil	Nil	Nil	Nil

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or stock exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (₹ in million)
Against the Company	Nil	3	Nil	Nil	Nil	4.17*
Directors	1	1	Nil	Nil	Nil	10*
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	1	1	Nil	Nil	Nil	10*
Promoters	Nil	3	Nil	Nil	Nil	0.95
By Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against Promoters	Nil	3	Nil	Nil	Nil	0.95
Subsidiaries	19	5	1	Nil	2	105.13
By Subsidiaries	18	Nil	Nil	Nil	1	48
Against Subsidiaries	1	5	1	Nil	1	57.13

**To the extent quantifiable.*

As on the date of this Prospectus, our Group Company is not party to any pending litigation which will have a material impact on our Company. For further details, see "*Outstanding Litigation and Other Material Developments*" and "*Our Group Company – Litigation*" beginning on pages 296 and 194.

Risk Factors

Specific attention of the investors is invited to the section "*Risk Factors*" beginning on page 27 to have an informed view before making an investment decision.

Summary of contingent liabilities

The details of our contingent liabilities as at December 31, 2021, as derived from the Restated Consolidated Financial Information are set forth in the table below:

(₹ in million)

Contingent liabilities	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Bank Gaurantee with exchanges as margin requirements	199.00	199.00	29.00	73.00
Income Tax Matters (refer note (i) below)	53.85	-	-	-
Claim against the Group not acknowledged as debt (refer note (ii) below)	-	-	3.42	-
Total	**252.85**	**199.00**	**32.42**	**73.00**

(i) Includes - Income Tax Demand for A.Y. 2013-14 of Rs. 53.85 millions received on September 29, 2021 by Prudent Broking Services Private Limited (PBSPL), a subsidiary of PCASL. PBSPL has filed appeals against the said order with CIT (Appeals). Pending the resolution of the appeals, the Company has agreed for payment of Rs 5.00 millions till August 31, 2022 out of which it has deposited Rs. 1.00 million as first instalment on January 27, 2022. PBSPL has assessed that it is only possible, but not probable, that outflow of economic resources will be required. Further income tax notices u/s 148 for reopening assessment u/s 147 have been received for A.Y. 2014-15, A.Y. 2015-16, A.Y. 2016-17 and A.Y. 2017-18 on similar kind of matter and company has filed writ petition with Gujarat High Court for all these assessment years.

(ii) Claim against Prudent Broking Services Private Limited ("**PBSPL**") not acknowledged as debt pertains to claims made by the client citing unauthorized trades had been placed by the PBSPL in the stock exchange. Pursuant to orders by Arbitral Tribunal pertaining to legal proceedings against clients, the PBSPL has been asked to bear an amount of ₹ 6.85 million which has been paid under protest by the PBSPL and shown as "Amount Paid under Protest" (Refer Note 10). Considering the facts of the case and the legal opinions, the PBSPL had made provision for 50% of the amount paid under protest amounting to ₹ 3.42 million in fiscal 2019-2020 and as the Company lost the legal case against client and there is no further prospects of recovery in case of client. Balance 50% amount i.e., ₹ 3.42 million is now written off during Fiscal 2020-21.

For further details, refer to the section "*Financial Information – Restated Consolidated Financial Information – 51. Contingent Liabilities and Commitments – (a) Contingent Liabilities*" on page 259

Summary of related party transactions

A summary of related party transactions entered into by our Company with related parties as at and for the nine months ended December 31, 2021 and years ended March 31, 2021, March 31, 2020 and March 31, 2019, as derived from the Restated Consolidated Financial Information, are as follows:

(₹ in million)

Particulars	Name of Related Party	For the nine months ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Transaction with Director / Key Managerial Personnel					
Salary expense		**46.62**	**70.40**	**70.19**	**65.21**
	Mr. Sanjay Shah	14.51	9.00	19.35	17.96
	Mr Shirish Patel	24.50	53.46	44.55	46.50
	Mr. Chirag Shah	5.85	7.94	6.29	-
	Mrs. Niketa Shah	-	-	-	0.75
	Mr. Chirag Kothari	1.53	-	-	-
	Mr. Dhaval Ghetia	0.23	-	-	-
Rent expense		**0.41**	**0.42**	**0.54**	**0.99**
	Mr. Sanjay Shah	0.41	0.42	0.54	0.46
	Mrs. Niketa Shah	-	-	-	0.54
Consideration against Purchase of Shares		-	-	**6.12**	**35.44**
	Mr. Chirag Shah	-	-	6.12	-
	Mr. Sanjay Shah	-	-	-	2.25
	Mrs. Niketa Shah	-	-	-	33.00
	Mr. Munjal Mehta	-	-	-	0.19
Final Dividend on Equity Shares		**1.45**	**1.20**	**1.20**	**1.20**
	Mr. Sanjay Shah	1.35	1.12	1.12	1.12
	Mr Shirish Patel	0.10	0.08	0.08	0.08
Interim Dividend on Equity Shares		-	-	-	**30.66**
	Mr. Sanjay Shah	-	-	-	18.58
	Mrs. Niketa Shah	-	-	-	11.01
	Mr Shirish Patel	-	-	-	1.07
Sitting Fees - Board Meetings		**1.59**	**0.30**	-	-
	Mr. Deepak Sood	0.38	0.15	-	-
	Mr. Karan Kailash Datta	0.38	0.15	-	-
	Ms. Shilpi Thapar	0.30	-	-	-
	Mr. Aniket Talati	0.53	-	-	-
Fixed Commission Expense		**2.79**	**1.50**	-	-
	Mr. Deepak Sood	1,13	0.75	-	-
	Mr. Karan Kailash Datta	1.13	0.75	-	-
	Ms. Shilpi Thapar	0.35	-	-	-
	Mr. Aniket Talati	0.18	-	-	-
Brokerage, Demat and Other Income		*-	**0.02**	**0.00**	**0.01**
	Mr. Sanjay Shah	-	0.02	*-	0.01

	Mr Shirish Patel	*-	*-	-	-
	Mr. Chirag Shah	*-	*-	-	-
Loan Taken		**770.00**	**-**	**-**	**-**
	Mr. Sanjay Shah	770.00	-	-	-
Loan Repaid		**440.00**	**-**	**-**	**-**
	Mr. Sanjay Shah	440.00	-	-	-
Interest Expense		**8.44**	**-**	**-**	**-**
	Mr. Sanjay Shah	8.44	-	-	-
Reimbursement of Expense		**0.01**	**-**	**-**	**-**
	Mr. Chirag Kothari	0.01	-	-	-
Transaction with Relative of Director/Key Managerial Personnel					
Final Dividend paid on Equity Shares		**0.42**	**0.35**	**0.35**	**0.35**
	Mr. Ramesh Shah	*-	0.01	0.01	0.01
	Ms. Maitry Shah	0.21	0.17	0.17	0.17
	Ms. Sakhi Shah	0.21	0.17	0.17	0.17
Interim Dividend on Equity Shares		-	-	-	**11.06**
	Mr. Ramesh Shah	-			5.34
	Ms. Maitry Shah	-	-	-	2.86
	Ms. Sakhi Shah	-			2.86
Consideration against Purchase of Shares		-	-	**16.54**	**0.19**
	Ms. Maitry Shah	-	-	10.42	-
	Mrs. Harshida Patel	-	-	6.12	-
	Mrs. Prapti Mehta	-	-	-	0.19
Rent expense		**0.41**	**0.42**	**0.54**	**0.43**
	Mrs. Niketa Shah	0.41	0.42	0.54	0.43
Salary expense		**0.23**	**0.30**	**0.30**	**0.98**
	Ms. Maitry Shah	0.23	0.30	0.30	0.16
	Mr. Ramesh Shah	-	-	-	0.15
	Mrs. Prapti Mehta	-	-	-	0.67
Sale of Bonds		-	**0.63**	-	-
	Ms. Sakhi Shah	-	0.63	-	-
Brokerage, Demat and Other Income		*-	**0.01**	**0.02**	**0.02**
	Mrs. Niketa Shah	*-	0.01	0.02	0.02
Enterprises over which Director/Key Management personnel having control					
Sale of Bonds		-	**0.62**	-	-
	Ramesh C Shah HUF	-	0.62	-	-
Brokerage, Demat and Other Income		**0.02**	**0.03**	**0.03**	**0.02**
	Sanjay R Shah HUF	0.02	0.03	0.03	0.02
Transaction with Enterprise having significant influence in the Company					
Final Dividend on Equity Shares		**1.24**	**1.03**	**1.03**	**1.03**
	Wagner Limited	1.24	1.03	1.03	1.03

Issuance of Compulsory Convertible Preference Shares Including Securities Premium		-	-	-	**9.46**
	Wagner Limited	-	-	-	9.46
Allotment of Equity Shares on Conversion of Non Cummulative Compulsory Convertible Preference Shares		**0.31**			
	Wagner Limited	0.31			
Outstanding Balances					
Outstanding with Director / Key Managerial Personnel					
Salary Payable		**3.47**	**15.89**	**15.39**	**9.70**
	Mr. Sanjay Shah	1.06	0.02	2.99	-
	Mr. Shirish Patel	1.71	13.68	10.63	9.70
	Mr. Chirag Shah	0.45	2.19	1.77	-
	Mr. Chirag Kothari	0.21	-	-	-
	Mr. Dhaval Ghetia	0.04	-	-	-
Fixed Commission Payable		**0.89**	**0.72**	-	-
	Mr. Deepak Sood	0.34	0.36	-	-
	Mr. Karan Kailash Datta	0.34	0.36	-	-
	Ms. Shilpi Thapar	0.14	-	-	-
	Mr. Aniket Talati	0.07	-	-	-
Trade Payable		**0.06**	**0.32**	-	-
	Mr. Sanjay Shah	-	0.26	-	-
	Mr. Shirish Patel	-	0.01	-	-
	Mr. Chirag Shah	0.06	0.05	-	-
Loan Repayable		**330.00**	-	-	-
	Mr. Sanjay Shah	330.00	-	-	-
Outstanding with relative of Director / Key Managerial Personnel					
Salary Payable		**0.03**	**0.03**	**0.03**	**0.03**
	Ms. Maitry Shah	0.03	0.03	0.03	0.03
Trade Payable		**-**	**0.38**	-	-
	Mrs. Niketa Shah	-	0.38	-	-
Particulars		**For the nine months ended December 31, 2021**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Short Term Employee Benefit Expenses					
Salary to KMP		46.62	70.40	70.19	65.21
Salary to Relative of KMP		0.23	0.30	0.30	0.98
Total compensation paid to key management personnel		**46.85**	**70.70**	**70.49**	**66.19**

* *Figure nullified in conversion of ₹ into million.*

For details of the related party transactions as reported in the Restated Consolidated Financial Information, see "*Financial Information – Restated Consolidated Financial Information – Note 39 – Related Party Disclosures*" on page 249.

Financing Arrangements

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

Weighted average price at which Equity Shares were acquired by our Promoter and the Selling Shareholders, in the last one year

The weighted average price at which the Equity Shares were acquired by our Promoter in the one year preceding the date of this Prospectus is:

Name of the Promoter	Number of Equity Shares acquired	Weighted average price of acquisition per Equity Share (in ₹)*
Sanjay Shah	17,952,250#	Nil

**As certified by M/s Pramodkumar Dad & Associates, Chartered Accountants, by way of their certificate dated May 13, 2022.*
 # Pursuant to the issuance of bonus shares approved by our shareholders on July 23, 2021.

The weighted average price at which the Equity Shares were acquired by the Selling Shareholders in the one year preceding the date of this Prospectus is:

Name of the Selling Shareholder	Number of Equity Shares acquired	Weighted average price of acquisition per Equity Share (in ₹)*
Wagner Limited	16,087,500#	Nil
Shirish Patel	1,271,400#	Nil

**As certified by M/s Pramodkumar Dad & Associates, Chartered Accountants, by way of their certificate dated May 13, 2022.*
 # Pursuant to the issuance of bonus shares approved by our shareholders on July 23, 2021.

Average cost of acquisition of Equity Shares

The average cost of acquisition of Equity Shares of our Promoter as on the date of this Prospectus are as set forth in the table below:

Name of the Promoter	Number of Equity Shares held	Average cost of acquisition per Equity Share (in ₹)*
Sanjay Shah	17,952,250	0.01

**As certified by M/s Pramodkumar Dad & Associates, Chartered Accountants, by way of their certificate dated May 13, 2022.*

The average cost of acquisition of Equity Shares of the Selling Shareholders as on the date of this Prospectus are as set forth in the table below:

Name of the Selling Shareholder	Number of Equity Shares held	Average cost of acquisition per Equity Share (in ₹)*
Wagner Limited	16,562,680	150.94
Shirish Patel	1,304,000	0.13

**As certified by M/s Pramodkumar Dad & Associates, Chartered Accountants, by way of their certificate dated May 14, 2022.*

Details of price at which shares were acquired in the last three years preceding the date of the Red Herring Prospectus and this Prospectus by the Promoter, Promoter Group and Selling Shareholders is set forth below:

S. No.	Name of the acquirer/shareholder	Date of acquisition of Equity Shares/ Preference Shares	Number of Equity Shares/ Preference Shares acquired	Acquisition price per Equity Share*	Acquisition price per Preference Share
Promoter					
1.	Sanjay Shah	August 3, 2021	8,529,100	Nil	N.A.
2.	Sanjay Shah	August 6, 2021	8,978,000	Nil	N.A.
Promoter Group					

S. No.	Name of the acquirer/shareholder	Date of acquisition of Equity Shares/ Preference Shares	Number of Equity Shares/ Preference Shares acquired	Acquisition price per Equity Share*	Acquisition price per Preference Share
1.	Ramesh. C. Shah	August 3, 2021	28,500	Nil	N.A.
2.	Ramesh. C. Shah	August 6, 2021	30,000	Nil	N.A.
3.	Ramesh. C. Shah HUF	August 3, 2021	1,900	Nil	N.A.
4.	Ramesh. C. Shah HUF	August 6, 2021	2,000	Nil	N.A.
5.	Maitry Shah	August 3, 2021	1,311,000	Nil	N.A.
6.	Maitry Shah	August 6, 2021	1,380,000	Nil	N.A.
7.	Sakhi Shah	August 3, 2021	1,311,000	Nil	N.A.
8.	Sakhi Shah	August 6, 2021	1,380,000	Nil	N.A.
9.	Hemang Thekadi	October 11, 2021	1,250	Nil	N.A.
10.	Mayank Thekadi	October 11, 2021	1,250	Nil	N.A.
11.	Vimalkumar Thekadi	October 11, 2021	1,250	Nil	N.A.
12.	Sonal Mehta	October 11, 2021	1,500	Nil	N.A.
13.	Sunitaben Dhuwad	October 11, 2021	1,500	Nil	N.A.
14.	Sanjay Shah Family Trust	October 11, 2021	1,000	Nil	N.A.
Selling Shareholders					
1.	Wagner Limited	August 3, 2021	7,837,500	Nil	N.A.
2.	Wagner Limited	August 3, 2021	29,773	N.A.	Nil
3.	Wagner Limited	August 6, 2021	8,250,000	Nil	N.A.
4.	Wagner Limited	–	62,680**	Nil	N.A.
5.	Shirish Patel	August 3, 2021	619,400	Nil	N.A.
6.	Shirish Patel	August 6, 2021	652,000	Nil	N.A.

**As certified by M/s Pramodkumar Dad & Associates, Chartered Accountants, by way of their certificate dated May 14, 2022.*

*** Acquired pursuant to conversion of 62,680 compulsorily convertible preference shares in the ratio of one Equity Share for every one preference share of the Company held by Wagner*

Details of Pre-IPO Placement

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

Issuance of Equity Shares for consideration other than cash in the last one year

Our Company has not issued any Equity Shares for consideration other than cash or bonus issues in the one year preceding the date of the Red Herring Prospectus and this Prospectus, except for the following.

Pursuant to the resolution passed by our Board dated July 22, 2021 and our Shareholders dated July 23, 2021, 19,638,400 Equity Shares and 29,773 Preference Shares were issued as bonus shares in the ratio of 19 bonus Equity Shares or Preference Shares for each Equity Share or Preference Share, respectively, held on the record date.

Split or Consolidation of Equity Shares in the last one year

Except as disclosed below, our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of the Red Herring Prospectus and this Prospectus.

Pursuant to the resolution passed by our Board dated July 22, 2021 and our Shareholders dated July 23, 2021, the issued, subscribed and fully paid-up equity share capital and preference share capital of our Company, comprising of 20,672,000 equity shares of the face value of ₹ 10 each and 31,340 preference shares of face value of ₹10 each, aggregating to ₹ 207.03 million was sub-divided into 41,344,000 Equity Shares of face value of ₹ 5 each and 62,680 Preference Shares of face value of ₹ 5 each.

SECTION II: RISK FACTORS

An investment in equity shares involves a high degree of risk. Potential investors should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, results of operations and financial condition could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment. To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this section. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Our Business", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Information" beginning on pages 143, 93, 265 and 197, respectively, as well as the other financial and statistical information contained in this Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer including the merits and risks involved.

Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.

Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2019, 2020 and 2021 and the nine months ended December 31, 2021 included herein is derived from the Restated Consolidated Financial Information, included in this Prospectus. For further information, see "Financial Information" beginning on page 197.

This Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. See "Forward-Looking Statements" on page 17.

Our Company's Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, in this section, references to "the Company" or "our Company" are to Prudent Corporate Advisory Services Limited on a standalone basis, and references to "the Group", "we", "us", "our", are to Prudent Corporate Advisory Services Limited and its Subsidiaries on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section have been derived from the report "Assessment of financial products distribution industry in India" (the "**CRISIL Report**") exclusively prepared and released by CRISIL Research, a division of CRISIL Limited, dated December 2021 and commissioned by and paid for by our Company specifically in connection with the Offer. The copy of the CRISIL Report is available for online access at https://prudentcorporate.com/investorrelation. Also see, "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" beginning on page 15.*

Internal Risk Factors

1. ***We operate in a highly regulated environment, which is subject to change, and existing and new laws, regulations and government policies affecting the sectors in which we operate could adversely affect our business, financial condition and results of operations.***

We believe that significant regulatory changes in our industry are likely to continue, which is likely to subject industry participants to additional and generally more stringent regulations. The requirements imposed by our regulators are designed to ensure the integrity of the financial markets and to protect investors and other third parties who deal with us, and may not always coincide with the interests of our shareholders. Consequently, these regulations may serve to limit our activities and/or increase our costs, including through investor protection, compliance management and market conduct requirements. We may also be adversely affected by changes in the interpretation or enforcement of existing laws and rules by various governmental authorities and self-regulatory organisations.

Our business activities are subject to extensive supervision and regulation by the Government and various regulatory authorities, such as SEBI, IRDAI, PFRDA, AMFI, RERA, Depositories and the Stock Exchanges. We are subject to a variety of financial services regulation, including, the SEBI Act, SEBI Intermediaries Regulations, SEBI Investment Advisers Regulations, directions issued by AMFI, PFRDA (POP) Regulations, IRDAI (Insurance Broker) Regulations, 2018, the RERA Act, SEBI Stock Brokers Regulations, , SEBI Mutual Fund Regulations, AMFI Guidelines, SEBI Code of Conduct for Intermediaries of Mutual Funds, SEBI Research Analysts Regulations, SEBI Certification of Associated Persons Regulations, SEBI Depositories and Participant Rules, SEBI Intermediaries Circular on Conflicts and various applicable laws issued by Stock Exchanges. The laws and regulations governing advisory and distribution services relating to financial products have become increasingly complex and cover a wide variety of issues, including registration, disclosures and conflicts. Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. For example, by way of a circular dated September 23, 2020 (bearing reference no. SEBI/HO/IMD/DF1/CIR/P/2020/182), SEBI issued the Guidelines for Investment Advisors, wherein detailed guidelines have been provided in respect of, amongst others, (a) client level segregation of advisory and distribution activities, including compliance and monitoring processes to be adopted, (b) terms of mandatory agreement to be entered into between an investment advisor and a client, (c) fees that may be charged by an investment advisor, and (d) maintenance of records. While the impact of such segregation on our operations has been minimal on account of our current activities, there is no guarantee that we will be able to diversify to include substantial investment advisory services as part of our portfolio.

There can be no assurance that the Government of India will not implement new regulations and policies which may require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. For example, from April 1, 2019, SEBI has implemented the proposal of lowering the cost for mutual fund investors by revision of AUM slab-wise limits of total expense ratio of mutual fund schemes. Any future changes and related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or changes to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also adversely affect our results of operations. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

For further details, please see "*Key Regulations and Policies of India*" on page 161.

2. ***Non-compliance with regulatory guidelines and directions/ observations during inspection by regulatory organisations may have a material adverse effect on our business, financial condition or results of operation.***

We are subject to regular scrutiny supervision and periodic inspections by various regulators, statutory bodies and regulatory organisations such as SEBI, PFRDA, IRDAI, RERA, Stock Exchanges, Depositories and AMFI. The requirements imposed by these regulators are designed to ensure the integrity of the financial markets and to protect investors' interests. Any non-compliance with regulatory guidelines and directions may result in regulatory actions which includes issuance of administrative/warnings/deficiency letters, fines or sanctions imposed by these regulators and in some circumstances could lead to revocation of our licenses. Any negative findings against us during such inspections may materially and adversely affect our business and results of operations.

We also face the risk of regulatory penalties in our business from regulators or the Stock Exchanges for failures of routine operational processes.

Our Subsidiary, PBSPL has in the past been penalized an amount of ₹ 1 million by SEBI by way of an order November 27, 2020, under Section 23D of the SCRA, Sections 15A© and 15 HB of the SEBI Act read with Section 19G of the Depositories Act for violation of SEBI circulars and regulations in relation to pledging of securities in excess of client obligations, mis-utilization of client funds and irregularities in client registration process.

(*in ₹*)

Segment	2018-19	2019-20	2020-21
SEBI	-	-	1,000,000 (01.04.2017 to 30.09.2018)
NSE	194,300 (01.08.2016 to 31.07.2017)	-	75,000 (01.09.2018 to 31.10.2019)
MCX	108,025 (01.04.2016 to 31.03.2017)	-	-
NCDEX	100,140 (01.04.2014 to 28.09.2016)	-	-

Further, PBSPL, has, in the past, received warning letters dated December 14, 2012, January 11, 2019 and August 12, 2020 advising it to improve compliance standard and address recurrence of deficiencies in processes including failure to settle credit balances of clients, mismatch in stock reconciliation, irregularities in respect of use of client funds, instances of pledging of client securities and lapses in implementation of KYC formats as directed by SEBI. PBSPL has also, pursuant to a joint inspection conducted by SEBI, NSE and BSE, been imposed a penalty of ₹ 50,000 for granting further exposure to clients beyond T+2+5 days in accordance with exchange notice number 20180214-21 dated February 14, 2018

Our erstwhile subsidiary, Prudent Fintrade Private Limited has in the past had its registration as a non-banking finance company cancelled, on account of being unable to meet the net owned funds requirements prescribed by RBI.

While we attempt to comply with all regulatory provisions applicable to us, in the event we are not able to comply with the observations made by these regulators, we could be subject to supervisory actions, which may have a material adverse effect on our reputation, financial condition and results of operations.

3. ***There is an outstanding criminal case in which the Economic Offences Wing has issued notices to Prudent Comder Private Limited (since merged with our Subsidiary, Prudent Broking Services Private Limited ("PBSPL")), our Promoter and a director of our Subsidiary and there is an outstanding SEBI matter against PBSPL, which if determined in an adverse manner, may result in a loss of license of PBSPL and consequently may adversely impact our future operations, reputation and profitability.***

As a broker for National Spot Exchange Limited ("**NSEL**"), Prudent Comder Private Limited (**"Prudent Comder**"), which was a wholly owned subsidiary of PBSPL before being subsequently merged into PBSPL has received notices in relation to complaint filed against NSEL, its directors and others. The Economic Offences Wing ("**EOW**") had issued a notice dated January 16, 2019, directing Prudent Comder to furnish certain documents in connection with the investigation relating to this matter, which was furnished by PBSPL by way of its response dated February 4, 2019. The EOW, on May 6, 2021, issued another notice to Munjal Mehta, who is currently one of the directors of PBSPL, for his personal attendance for further investigation along with furnishing of certain documents as specified in the aforementioned notice. He submitted the required information and documents vide his reply dated May 24, 2021 and recorded his statement before the EOW authorities.

Subsequently, the EOW also issued a notice dated June 30, 2021 to Sanjay Shah, our Promoter and Managing Director, requiring his personal attendance along with furnishing of specific information for further investigation. Sanjay Shah submitted the required information and the documents vide his reply dated July 14, 2021 and recorded his statement before the EOW authorities on July 15, 2021.

Further, SEBI had issued show cause notice dated September 25, 2018 under Regulation 25(1) of the SEBI (Intermediaries) Regulations, 2008, as amended ("**SEBI Intermediaries Regulations**") to Prudent Comder alleging that Prudent Comder, which was a member of NSEL had facilitated or participated in trading on the NSEL platform in 'paired contracts' in contravention of provisions of the erstwhile Forward Contracts (Regulation) Act, 1952 and Government notification dated June 05,2007. SEBI further observed in the SCN that Prudent Comder violated the SEBI (Stock Broker and Sub Broker) Regulations, 1992 and therefore, was no longer a "fit and proper person" for holding the certificate of registration as an intermediary in the securities market. The SCN called upon Prudent Comder to show cause as to why appropriate recommendations should not be made against it under the SEBI Intermediaries Regulations.

PBSPL, pursuant to its letter dated October 15, 2018 and November 19, 2019, responded to the SCNs denying the allegations. Thereafter, SEBI issued a show cause notice under Regulation 28(1) of the SEBI Intermediaries Regulations dated January 28, 2020 to Prudent Comder based on an enquiry report dated December 31, 2019 of the Designated Authority (hereinafter referred to as "**January SCN**" and the enquiry report as "**Enquiry Report**") in terms of the SEBI Intermediaries Regulations. In terms of this Enquiry Report, the Designated Authority observed that PBSPL had facilitated trading in paired contracts by providing the infrastructure and services to its clients and had allegedly failed to conduct adequate due diligence on the products which it offered for trading to its clients. Therefore, it was held that PBSPL had not maintained the requisite standards of the code of conduct, required by it to exercise due skill, care and diligence and as a result of which the Designated Authority recommended that the certificate of registration of PBSPL as a commodity derivatives broker be cancelled in terms of Regulation 27 of the SEBI Intermediaries Regulations.

Relying on the Enquiry Report, SEBI called upon PBSPL to show cause as to why action under Regulation 28(2) of the SEBI Intermediaries Regulations should not be taken against it. PBSPL, pursuant to its response dated March 30, 2021. PBSPL once again denied the allegations made in the January SCN and submitted, among other things, that the allegations made in the January SCN are misconceived and based on incomplete and incorrect assumption of facts, and that it has already responded to each of the observations in the Enquiry Report in its earlier responses. PBSPL further submitted that discovery of the intention, objective or purpose of the client which are alleged to be in the nature of financial transactions cannot form a part of the due diligence responsibility of a broker, and sought that all allegations against PBSPL be dropped and that PBSPL be granted a personal hearing before the concerned authority. The matter is currently pending.

In the event that the matter is decided adversely, PBSPL may lose its ability to offer services as a commodities broker and this may adversely impact our reputation and future operations and profitability. There can be no assurance that these matters will be decided favourably or that we will not be subject to adverse orders, penalties or cancellation of the commodities broking registration of PBSPL. For further details of these matters, refer to "*Outstanding Litigation and Other Material Developments – Litigation involving our Subsidiaries – Litigation against our Subsidiaries – Litigation against PBSPL*" on page 297.

4. ***Recommendations, suggestions and advice provided by Mutual Fund Distributors ("MFDs") using our platform to their clients may be subject to errors or fraudulent behaviour and are beyond our control and any resultant adverse impact to their clients could have an adverse impact on our reputation, business and results of operations.***

We provide a platform to MFDs to facilitate their operations and interactions with clients. Further, we also offer various data analysis tools and reports to MFDs as part of our platform offering, based on certain identified parameters or are sourced from third parties. There can be no guarantee that the underlying data for any such data or report will be accurate, as a result of which the accuracy of the report or analysis may be faulty. Further, the recommendations, suggestions and advice provided by these MFDs to their clients are beyond our control. Any adverse impact such as loss of amounts invested etc. could affect our reputation leading to a loss of client confidence, negative publicity, deterioration of brand image, or loss of goodwill, and which may in turn affect our business operations.

Further, any illegal or fraudulent activity on the part of the MFDs may implicate us and may cause reputational damage. For example, a client complained about an unauthorized switch by a MFD which was received from HDFC AMC on July 17, 2019. The matter needed to be resolved. Such instances may adversely impact our business and results of operations.

5. ***If we do not continue to innovate and further develop our platform or our platform developments do not perform, or we are not able to keep pace with technological developments, we may not remain competitive and our business and results of operations could suffer.***

Our operations are dependent on the effectiveness of our technological platform and the ability to record and process accurately a large number of transactions on a daily basis and in a timely manner to provide a seamless digital experience to our clients.

The financial services industry is characterized by rapid technological evolution, changes in customer requirements and preferences, frequent introduction of new services and products embodying new technologies, and the emergence of new industry standards and practices. To remain competitive, we must continue to stay abreast of the constantly evolving industry trends and to enhance and improve the responsiveness, functionality and features of our platform. In order to attract and retain MFDs, we must continue to invest significant resources in research and development to enhance our information technology and improve and refresh our existing services Our inability to keep up with such changes could render our existing technologies and systems obsolete. Our success will depend, in part, on our ability to identify, develop, acquire or license leading technologies useful in our business, and respond to technological advances and emerging industry standards and practices in a cost-effective and timely way. The development of mobile applications, websites and other proprietary technology entails significant technical and business risks. There can be no assurance that we will be able to use new technologies effectively or adapt our mobile applications, websites, proprietary technologies and systems to meet customer requirements or emerging industry standards. If we are unable to adapt in a cost-effective and timely manner in response to changing market conditions or customer preferences, whether for technical, legal, financial or other reasons, our business may be materially and adversely affected.

Developing and launching enhancements to our platform and new services on our platform may also involve significant technical risks and upfront capital investments that may not generate returns on investment, in a timely manner or at all. We may use new technologies ineffectively, or we may fail to adapt to emerging industry standards. If we face material delays in introducing new or enhanced platform features and services or if our recently introduced offerings do not perform in accordance with our expectations, MFDs and the end customers that utilize our platform may forego the use of our services in favour of those of our competitors.

6. ***Our business operations are highly dependent on information technology. Failure or disruption of our Information Technology ("IT") systems may adversely affect our business, financial condition, results of operations and prospects.***

We have implemented various IT solutions to cover key areas of our operations and accounting, and our business operations are highly dependent on the same.

These systems are potentially vulnerable to damage or interruption from a variety of sources, which could result in a material adverse effect on our operations. An IT malfunction could disrupt our business or lead to disclosure of sensitive company information. Our ability to maintain our business operations depends on the proper and efficient operation and functioning of various IT systems, which are susceptible to malfunctions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network problems).

Our platforms use technology to interact with clients via online/mobile based services delivered by our relationship managers and MFDs. A significant or large-scale malfunction or interruption of one or more of our IT systems could adversely affect our ability to keep our operations running efficiently. In addition, it is possible that a malfunction of our data system security measures could enable unauthorised persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our clients. Such malfunction or disruptions could cause economic losses for which we could be held liable. A failure of our information technology systems could also cause damage to our reputation which could harm our business. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations.

Further, unavailability of, or failure to retain, well trained employees capable of constantly servicing our IT systems may lead to inefficiency or disruption of IT system thereby adversely affecting our ability to operate efficiently.

Additionally, we rely on certain third party software for provision of our services, which may not continue to be available to us at commercially acceptable terms or at all. Any requirement to replace such software may cause us to incur substantial expenditure of money and management time and may not result in similar or appropriate service delivery to MFDs or the end customers.

Any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to plan, track, record and analyse work in progress and sales, process financial information, meet business objectives based on IT initiatives, or otherwise conduct our normal business operations, which may increase our costs and otherwise adversely affect our business, financial condition, results of operations and prospects.

7. ***Systems failures and resulting interruptions in the availability of our platform could adversely affect our business, financial condition, cash flows and results of operations.***

The proper functioning of our technology infrastructure is essential to the conduct of our business. Specifically, the satisfactory performance, reliability and availability of our platform, our transaction-processing systems and our network infrastructure are critical to our success and our ability to attract and retain MFDs or the end customers and provide adequate services.

It is critical to our success that all participants on our platform are able to access our platform, at all times. The size and complexity of our computer systems may make them potentially vulnerable to breakdowns. Our systems, or those of third parties such as NSE, upon which we rely, may experience service interruptions or degradation or other performance problems because of hardware and software defects or malfunctions, unexpected high volume of transactions, distributed denial-of-service and other cyberattacks, infrastructure changes, human error, earthquakes, pandemics, hurricanes, floods, fires, natural disasters, power losses, disruptions in telecommunications services, unauthorized access, fraud, military or political conflicts, terrorist attacks, legal or regulatory takedowns, computer viruses, ransomware, malware, or other events. Our systems also may be subject to break-ins, sabotage, theft and intentional acts of vandalism, including by our own employees and it could materially interrupt our business operations or cause disclosure or modification of sensitive or confidential information. Some of our systems are not fully redundant and our disaster recovery planning may not be sufficient for all eventualities. We take back-up of data in local server, an external hard disk kept at separate physical location and cloud server. Currently, our main server is located at Sears Towers in Ahmedabad, whereas back server is located at our nearby registered office, which may expose us to complete loss of business or availability of platform in the case of failure of our primary site especially in natural disasters like earthquakes etc. We do not currently maintain business interruption insurance which may expose us to significant losses that may result from interruptions in our service as a result of systems failures and similar events.

We may also face cyber threats such as (i) phishing and trojan attacks- targeting our customers, wherein fraudsters send unsolicited mails to our customers seeking account sensitive information or to infect customer machines to search and attempt ex-filtration of account sensitive information; (ii) hacking – wherein attackers seek to hack into our website with the primary intention of causing reputational damage to us by disrupting services; (iii) data theft – wherein cyber criminals may attempt to intrude into our network with the intention of stealing our data or information; and (iv) advanced persistent threat – a network attack in which an unauthorized person gains access to our network and remains undetected for a long period of time with an intention to steal our data or information rather than to cause damage to our network or organization.

We have experienced and will likely continue to experience system failures and other events or conditions from time to time that interrupt the availability or reduce or affect the speed or functionality of our platform. These system failures generally occur either as a result of software updates being deployed with unexpected errors or as a result of temporary infrastructure failures related to storage, network, connectivity issues or computing capacity being exhausted. Further, in some instances, we may not be able to identify the cause or causes of these performance problems within an acceptable period of time. Even a minor interruption or reduction in the availability, speed, or other functionality of our platform could adversely affect our business and reputation and could result in the loss of MFDs or the end customers.

The software underlying our platform is highly complex and may contain undetected errors or vulnerabilities, some of which may only be discovered at a subsequent stage or may not get discovered at all. Our practice is to release frequent software updates. Any third-party software that we integrate into our platform, may also be subject to errors or vulnerabilities. Any errors, vulnerabilities or infringements discovered in our code or from third-party software after release could result in negative publicity, a loss of MFDs or the end customers or loss of revenue, legal proceedings, and access or other performance issues. Such vulnerabilities could also be exploited by malicious actors and result in exposure of data of the participants on our platform, or otherwise result in a security breach or other security incident. We may need to expend significant financial and development resources to analyze, correct, eliminate, or work around errors or defects or to address and eliminate vulnerabilities. Any failure to timely and effectively resolve any such errors, defects, or vulnerabilities could adversely affect our business, reputation, brand, financial condition, cash flows and results of operations.

Further, our financial, accounting, or other data processing systems may fail to operate adequately, or at all, because of events that are beyond our control, including a disruption of electrical or communications services in the markets in which we operate. Our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis.

8. ***Our inability to grow at our historical rates could adversely affect our business, results of operations and financial condition.***

Our business, measured in terms of AUM, which was ₹ 484,114,74 million as at December 31, 2021, has grown at a CAGR of 32.83 % since March 31, 2018. During the period between April 1, 2016 and December 31, 2021, the number of MFDs on our platform increased by 18,915 and stood at 23,262 as at December 31, 2021. Further, SIPs on our platform have grown from 0.79 million as at April 1, 2018 to 1.53 million as at December 31, 2021. We cannot assure you that we will be able to replicate or sustain the growth we have witnessed in the last few years.

The products distributed and sold by us may have benefitted recently from positive market conditions and the economic scenario of India. However, these conditions may not sustain, and we may not be able to grow in the same manner as we historically have. Any such change in market or economic conditions or inability to grow in the same manner as we have previously, could have an adverse impact on the investment performance for our clients which may impact our ability to retain clients or attract new clients.

Our growth strategy includes, amongst other things, expanding our team of MFDs or partner network, branches, relationship managers, business acquisitions, using technology to create scalability and brand building and marketing. Implementation of such growth strategies will place significant demand on our management, financial and other resources, and will require us to continually develop and improve our operational, financial and internal controls. Any inability on our part to scale up or develop our internal systems may hinder the growth of our business.

9. ***Any reduction in our commission or brokerage of other financial products could have adverse effect on our business, financial condition, cash flows, results of operations and prospects.***

Our revenue from insurance business is derived from commissions earned through distribution of insurance products. The rates of commission are governed by IRDAI (Payment of Commission or Remuneration or Rewards to Insurance Agents and Insurance Intermediaries) Regulations, 2016. Any adverse change in rates of commission could result in reduced revenue from distribution of insurance products and, in turn, adversely impact our revenues and results of operations.

We derive the revenues in our stock broking operations from brokerage charged to the clients for the execution of their trades. There is constant pressure on brokerage rates in the industry due to competition, especially as we have no exclusivity arrangements with our clients, the products being standardised and offered online. If we face increased competition on our brokerage rates, we may need to lower our brokerage to attract clients. Further, there is no assurance that we will be able to attract such clients despite reducing our brokerage rates, which could adversely affect our revenues and results of operations.

Additionally, any reduction in the commission or margin earned by us through the distribution or sale of other financial products like AIF, PMS, bonds, unlisted equities or fixed deposits could result in reduced revenue from distribution and sale of financial products and, thus, could adversely impact our revenues and results of operations.

10. ***We have commissioned and paid for an industry report from CRISIL Limited specifically for the purpose of the Offer, which has been used for industry related data in this Prospectus.***

Certain information in the sections entitled "*Summary of the business of our Company*", "*Summary of the industry in which our Company operates*", "*Our Business*" "*Industry Overview*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 19, 19, 143, 93 and 265 includes information that is derived from the CRISIL Report. We commissioned this report for the purpose of confirming our understanding of the industry in connection with the Offer. CRISIL has advised that while it has taken due care and caution in preparing the report based on information obtained from sources which it considers reliable, is not responsible for the results obtained from the use of CRISIL Report or the data therein. The CRISIL Report highlights certain industry and market data relating to our Company and our competitors. Such data is subject to many assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that CRISIL's assumptions are correct or will not change and accordingly our position in the market may differ from that presented in this Prospectus. Further, the CRISIL Report is not a recommendation to invest or disinvest in our Company or any company covered in the CRISIL Report. CRISIL has stated that it is not responsible for any loss or damage arising from the use of the CRISIL Report. Prospective investors are advised not to unduly rely on the CRISIL Report when making their investment decision.

While we believe data from official and industry publications and other sources referred to in this Prospectus to be true, we cannot assure you that they are complete or reliable. Such data may also be produced on different bases from those used in the industry publications we have referenced. Therefore, discussions of matters relating to India, its economy and the industries in which we currently operate are subject to the caveat that the third-party and statistical data upon which such discussions are based may be incomplete or unreliable. For further details, please see the section entitled "*Industry Overview*" on page 93.

11. ***We depend on our ability to attract and retain registered Mutual Fund Distributors ("MFDs") on our platforms and any inability to retain them may adversely affect our business and results of operations.***

As an independent retail focussed wealth management services group (excluding banks) in India,the industry in which we operate is people-centric. The success of our business is dependent substantially on our ability to attract and retain MFDs on our platforms. Our ability to retain MFDs on our platform is based on our ability to provide a user-friendly and diverse platform while providing a high standard of client service.

While we enter into perpetual non-exclusive agreements with our MFDs, each such agreement can be terminated by the MFDs, including without cause and at no additional cost. As we do not engage directly with any of the end customers of the MFDs, our business is exclusively dependent on our good relationship with the MFDs .

There can be no assurance that our products and services will continue to find favour with MFDs and that they will not migrate their customers to any competing platform or engage in direct selling arrangements with AMCs and other customers.

Our inability to attract and retain MFDs may have an adverse impact on our business and future financial performance. If such MFDs were to terminate their relationship with us, seek to migrate their existing client base from our platforms to those of our competitors or to a new platform, which could adversely affect our revenue and results of operations.

12. ***Competition from existing and new market participants in our line of business may affect our market share, or results of operations.***

The financial services industry is rapidly evolving and intensely competitive. We expect competition to continue to intensify in the future. It is possible that there may in the future be consolidation in the market, amongst the smaller market participants, between such smaller participants and the larger participants, or between the larger participants. Any such consolidation may create stronger competitors in the market overall, and/or leave us at a competitive disadvantage.

We face competition from various companies in the financial services industry, including other mutual fund distributors and wealth management companies, who cater to the need of MFDs. We also face competition from the wealth management arms of several market participants, including established Indian and foreign banks, private banks and dedicated wealth management companies. We also compete with a large number of MFDs as a consequence of the fragmented wealth management market in India. Large and integrated banks also compete with us, who have a wide geographical reach which offer a variety of financial services and enables them to leverage their existing platforms and services to cross-sell their wealth management services.

MFDs associated with us also face competition from several market participants, including more established players, who may have greater access to resources or technology. As a consequence, they may not be able to retain end customers or generate new business or may choose to migrate their new business to more established players, who are able to offer greater benefits.

Further, with the rise in the use of technology, we and MFDs associated with us may face competition from new entrants in the industry who may leverage technology to provide products and services similar to us or which our clients prefer over services provided by us. If such newer entrants or existing participants, especially direct distribution platforms are able to leverage their existing competencies to attract greater numbers of end customers, MFDs associated with us may lose end customers to such competitors. This would adversely impact the revenues and AuM available with MFDs associated with our platform, in turn adversely impacting our revenues, growth prospects and results of operations.

We use technology in almost every aspect of our business, including sales, risk management, fraud detection, client service and settlement. Further, our competitors could utilise more advanced technology, substantially greater financial resources, well-established branch network, big data and innovation to simplify and improve the client experience, increase efficiencies, redesign products, improve client targeting, alter business models or to effect disruptive changes in the Indian financial services industry. If we do not anticipate, innovate, keep pace with, and adapt to, technological and other changes impacting the Indian financial services industry, it could harm our ability to compete in the market, decrease the attractiveness of our products to clients and materially and adversely affect our business, financial condition and results of operations. This increased competition may result in our inability to grow or maintain our market share. It may also result in reduced AUM, which may adversely affect our results of operations. Further, increased competition may result either in a decrease in our market share, or force us to reduce our fees or increase marketing expenses so as to preserve our market share either of which would decrease our revenue from operations, profitability and results of operations.

13. ***Our revenues from distribution of mutual funds are dependent on certain Asset Management Companies ("AMCs") and our sustained ability to increase our Assets Under Management ("AUM") as well as on the performance of the funds that we distribute. Any changes in the total expense ratio due to regulatory changes may reduce our distribution commission income which may have a adverse effect on our business, financial condition or results of operation***

We are empaneled with several AMCs for whom we act as a distributor for their mutual fund schemes, for which we earn commission. Our commissions on distribution of mutual funds are dependent on the value of the AUM. The mutual fund distribution business constitutes a significant part of our revenue. For the nine months ended December 31, 2021, Fiscals 2021, 2020 and 2019 our total commission and fee income from distribution of mutual fund products contributed 84.49%, 80.73%, 83.29% and 88.16% of our total revenue from operations, respectively of which the top five AMCs accounted for 50.77%, 59.30%, 53.79% and 52.00% of our total revenue, respectively with the single largest AMC contributing 11.43%, 16.21%, 13.95% and 12.81%, respectively. Any adverse change in our AUM may result in a decline in our revenue and profitability.

Further, our distribution arrangements with AMCs may be terminated without cause. Additionally, if the AMCs reduce the total expense ratio due to regulatory changes, they may reduce our distribution commission income, which would impact our revenues and results of operations.
All market linked securities are subject to a degree of risk, including loss of part or all of the investment made by an investor. Market conditions, declines in the Indian equity markets, declines in systematic investment plans, economic volatility or changes in the financial environment may render our products less attractive to investors. Under-performance of mutual fund as an investment class or our financial products distributed by us could lead to a loss of investors, failure to attract new investors, reduction in AUM, which in turn could adversely affect our results of operations.

14. ***The average cost of acquisition of Equity Shares for our Promoter and the Selling Shareholders could be lower than the Floor Price.***

The average cost of acquisition of Equity Shares for our Promoter is ₹ 0.01, and the average cost of acquisition of Equity Shares for Wagner Limited is ₹ 150.94, and for Mr. Shirish Patel is ₹ 0.13. The average cost of acquisition of Equity Shares for our Promoter and each of the Selling Shareholders may be lower than the Floor Price. The Floor Price or the Offer Price is not indicative of the market price following the listing of the Equity Shares. For details, see "*Capital Structure*" beginning on page 70.

15. ***The deterioration of general economic conditions due to COVID– 19 and the extent to which the recent escalation of the COVID-19 pandemic will impact our future business and results of operations will depend on future developments, which are difficult to predict.***

Since first being reported in December 2019, the outbreak of COVID-19 has spread globally. The World

Health Organization declared the novel coronavirus disease ("**COVID-19**") outbreak a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020. In the first half of calendar year 2020, COVID-19 spread to a majority of countries across the world, including India. The rapid and diffused spread of COVID-19 and global health concerns relating to this pandemic have had a negative impact on, among other things, economic conditions and trade and could continue to do so or could worsen for an unknown period of time, that could in turn have a material adverse impact on our business, cash flows, results of operations and financial condition, including liquidity and growth. While there has been no significant impact in our revenue from operations and profits due to COVID-19 pandemic, extended period of business disruptions, stock market volatility and decrease in investor's sentiments for new investment may represent challenges for us in the future. The nature of our business requires personal meetings and face-to-face discussions with clients, which could not take place effectively during the initial phase of the pandemic. The extent to which subsequent waves of the COVID-19 outbreak impacts our business, cash flows, results of operations and financial condition will depend on future developments, including on the duration and severity of the pandemic, the nature and scope of government actions to contain it, and the potential impact on global and national economic conditions, including inflation, interest rates, functioning of capital markets, consumer spending rates, energy availability and costs (including fuel surcharges), which are highly uncertain and cannot be predicted. The scope, duration and frequency of any potential containment measures and the adverse effects of COVID-19 remain uncertain and are likely to be severe. In addition, while the Government of India, in coordination with the state governments, has started the bulk immunization process or vaccination drive since January 16, 2021, achieving complete vaccination scale may take a significant amount of time. There is also no assurance that the vaccines that are developed will be fully effective and/ or will not have side effects.

Some of the ascertainable impact of COVID-19 pandemic and the pandemic induced lockdown on our business and operations include:

- restrictions on the movement of people during the lockdown which has adversely impacted our ability to expand our MFD base or the ability of MFDs using our platform to expand their customer base;
- a slowdown of branch expansion;
- inability to effectively execute our business plans and strategies; and
- temporary decline in mutual fund AUM due to volatility in the market.

Additionally, we cannot predict the impact that the COVID-19 pandemic will have on MFDs using our platform or their customers and other business partners, and each of their financial conditions; however, any material effect on these parties could adversely impact us. As a result of these uncertainties, the impact may vary significantly from that estimated by our management from time to time, and any action to contain or mitigate such impact, whether government-mandated or opted by us, may not have the anticipated effect or may fail to achieve its intended purpose altogether. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events.

The COVID-19 pandemic, or any future pandemic or widespread public health emergency could therefore materially and adversely impact our business, financial condition, cash flows and results of operations. To the extent that the COVID-19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this "*Risk Factors*" section.

16. ***There are operational risks associated with the financial services industry which, if realised, may have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.***

We face various operational risks related to our business operations in the financial services industry, such as:

- human and systems errors, including in the failure to submit transactions before cut off, incorrect mapping of business, uploading, entry or settlement of transactions, due to the complexity and high volume of transactions;
- inadvertent deviations from defined processes and inadvertent errors due to the manual nature of processes;
- delay or failure to timely transfer, pledge or un-pledge securities to and from depository participants;
- failure to establish and maintain effective controls and compliance oversight by our authorised persons' network or by the MFDs utilising our platforms;
- failure of technology in our processes, including risk management and settlement processes, causing

errors or disrupting our operations;
- inadequate technology infrastructure or inappropriate systems architecture;
- failure to adequately monitor and control authorised persons and personnel at our dealer helpdesks;
- failure to implement sufficient information security, including cyber-security and controls;
- failure to maintain appropriate deposits with exchanges or with other regulators;
- fraud by employees, associates, MFDs, authorised persons or through our digital and online platforms;
- fraud by authorised persons or personnel at our dealer helpdesks or our employees;
- delay or disruption in timely completion of obligations by market and other intermediaries including banks, exchanges, depositories, RTAs, AMCs, insurance companies and other participants;
- any interruption in services by our critical service providers;
- failure to timely report transactions to concerned intermediaries;
- damage to physical assets;
- failure of our risk management systems due to incorrect or inadequate algorithms;
- authorisation of direct market access system for non-institutional investors by SEBI; and
- inadequate due diligence, including client verification, non-adherence to anti-money laundering guidelines, KYC processes and client needs analysis, in the sales process.

In the past certain instances have occurred related to the above. For example, in one instance a client filed a complaint with SEBI Scores regarding a NAV allotment of the next working day. The client had transacted on a bank holiday and hence the funds were transferred to AMC on next working day.

If any of the foregoing were to occur, it could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

17. *We are highly dependent on our management team and key management personnel. Any loss of such team members or the inability to attract or retain management personnel may have material adverse effect on our business performance.*

Our business, performance and the implementation of our strategy are dependent upon our management team and key managerial personnel, including our Chairman and Managing Director and Promoter, Sanjay Shah, our Whole-time Director and CEO, Mr. Shirish Patel, our Whole-time Director, Mr. Chirag Shah and our Chief Financial Officer, Chirag Kothari, who oversee our day-to-day operations, the strategy and growth of our business. Our attrition rate for the nine month period ended December 31, 2021 and Fiscals 2021, 2020 and 2019 was 13.17%, 18.80%, 24.41%, and 26.71% for all employees and 12.07%, 15.88%, 8.67% and 13.73% for senior employees (ranked Deputy Manager and above).

We cannot assure you that members of our management team will not leave our Company and join our competitors, and that we will be able to find suitable replacements for them, in a timely manner or at all. If one or more members of our management team, including our KMPs are unable or unwilling to continue in their present positions, such persons would be difficult to replace and there could be a material adverse effect on our business, prospects and results of operations. For further details on our management team, see '*Our Management*' on page 173.

For example, the following are the Directors who have resigned or ceased to act as a Director in the three years preceding the date of the Draft Red Herring Prospectus. There have been no KMPs who have resigned in the past three years:

Name	Date of cessation	Reason
Aditya Sharma	May 1, 2021	Cessation pursuant to resignation by Mr. Aditya Sharma from Wagner, as Mr. Aditya Sharma was a nominee director of Wagner.
Niketa Shah	September 24, 2018	Cessation due to personal reasons

Further, the competition for professionals with the necessary experience, reputation and relationships in our industry is intense and we may not be successful in recruiting and retaining the required personnel that perform critical functions in our company.

In addition, we may need to increase employee compensation levels in order to retain our existing team and attract any additional personnel we may require.

Our success in expanding our business will also depend, in part, on our ability to attract, retain and motivate mid-to-senior management personnel. We may be unable to successfully manage our personnel needs which could adversely affect our business prospects and results of operations. These risks could be heightened to the extent we invest in businesses or geographical regions in which we have limited experience. If we are not able to address these risks, our business, results of operations and financial condition could be materially adversely affected.

18. ***If our techniques and processes for managing risks are ineffective, we may be exposed to material unanticipated losses.***

We have established a system of risk management and internal controls consisting of an organizational risk management framework, policies, risk management system tools and procedures that we consider to be appropriate for our business operations. Our risk assessment methods depend upon the extant regulatory requirements, historical market behaviour and statistics, the evaluation of information regarding financial markets, clients or other relevant matters that are publicly available or otherwise accessible to us. Such information may not be accurate, complete or properly evaluated. Moreover, the information and experience data that we rely on may quickly become obsolete as a result of market and regulatory developments, and our historical data may not be able to adequately reflect risks that may emerge from time to time. Inaccuracy in estimates of the level of margin to be maintained by our clients with us for the transactions undertaken by them could result in a shortfall in margins deposited by our clients with us. However, due to the inherent limitations in the design and implementation of risk management systems, including internal controls, risk identification and evaluation, effectiveness of risk control and information communication, our risk management systems and mitigation strategies may not be adequate or effective in identifying or mitigating our risk exposure in all market environments or against all types of risks in a timely manner, or at all. Further, we may not be able to completely avoid the occurrence of or timely detect any operational failure.

Effective internal controls are necessary for us to manage our operations, prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. There can be no assurance that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud.

We may also offer a broader and more diversified range of products, services or solutions. We may not be able to fully appreciate or identify operational risks related to the new products, services or solutions introduced by us from time to time. Accordingly, any risk management measures or controls implemented by us for such new products, services or solutions may not be adequate and we may be subject to liabilities arising therefrom. Further, any failure to change our risk management measures and controls to our developing business in a timely manner could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

19. ***Direct investments in mutual funds by our existing as well as potential clients will have an adverse impact on our revenue from mutual fund distribution.***

We derive our revenue from operations, from the commission and trail income *i.e.* in the nature of a recurring periodic payment as long as the AUM is reflected in our ARN code. With growing technology and increase in the ease of investments in such funds, our existing, as well as potential clients may not see significance in choosing to make their investments through us, and may choose to invest in such funds directly, thereby reducing or eliminating our involvement in the process of investments. In the event that such existing or potential clients choose to invest in such funds directly, our AUM or growth in AUM may reduce which would have an adverse impact on our business and results of operations.

20. ***We may fail to detect money laundering and/or other illegal or improper activities in our business operations on a timely basis, which may have an adverse effect on our reputation, business operations, financial condition and results of operation.***

We are required to comply with applicable anti-money laundering laws and regulations. These laws and regulations require financial institutions to establish sound internal control policies and procedures with respect to anti-money laundering monitoring and reporting activities. Such policies and procedures require us to, among other things, establish or designate an anti-money laundering framework, conduct client identification in accordance with relevant rules, duly preserve client identity information and transaction records and report suspicious transactions to relevant authorities. Since, we handle large volumes of monetary transactions for a significant number of clients, the policies and procedures implemented by us for detecting and preventing the use of our brokerage platforms to facilitate money laundering activities may not comprehensively detect or eliminate instances of money laundering.

We, in the course of our operations, run the risk of failing to comply with the prescribed KYC procedures and the consequent risk of fraud and money laundering by dishonest customers despite putting in place systems and controls to prevent the occurrence of these risks as is customary in our jurisdiction. We are required to implement effective surveillance controls and measures for ensuring that our electronic brokerage platform is not misused by our clients, authorised persons, personnel at our dealer helpdesks or market participants to carry out manipulative trading activities. Failure of the surveillance control and measures implemented by us to detect illegal or improper activities undertaken through our platforms in a timely manner, or at all, could lead to regulatory actions against us and adversely affect our reputation.

If the controls and measures implemented for detecting or eliminating money laundering or other improper or illegal trading activities are considered inadequate under applicable laws and regulations by any regulatory, governmental or judicial authority, we may be subject to penal action, freezing or attachment of our assets, imposition of fines, or any combination of these. We cannot assure you that the controls and measures implemented by us are adequate to detect or eliminate every instance of money laundering or illegal trading activities in a timely manner or at all. Any such lapse may adversely affect our reputation, business operations, financial condition and results of operations.

21. *A show-cause notice was issued by the Joint Commissioner, Central Goods and Service Tax and Central Excise to our Company pursuant to its acquisition of the mutual fund folios of Karvy Stock Broking Limited*

A show-cause notice dated September 28, 2020 was issued by the Joint Commissioner, Central Goods and Service Tax and Central Excise ("**Joint Commissioner- CGST and C.Ex**") to Karvy Stock Broking Limited ("**KSBL**") The matter was further taken up for adjudication proceedings and notices granting the right of personal hearing on various dates were sent to the offices of KSBL and were thereafter returned showing the remark "left". Subsequently, a show-cause notice was sent to our Company dated January 21, 2022 for complying with the tax liabilities of KSBL. In its reply dated January 31, 2022, our Company submitted that it had only acquired the mutual fund folios of KSBL through the bidding process conducted by the Joint Committee of Exchanges and the transaction cannot be equated to a takeover of the business of KSBL. Further, it was also submitted that both our Company and KSBL are separate companies incorporated under the Companies Act and should therefore be treated as separate and distinct legal entities under applicable law. The matter is currently pending. We cannot assure you that above proceedings will be settled in our favour, or that no additional liability will arise out of these proceedings. Imposition of any additional liabilities may adversely impact our results of operations and future prospects and may require our management to dedicate significant time towards pursuing the above proceedings.

22. *There is outstanding litigation against our Company and our Subsidiaries, which if determined adversely, could affect our business and results of operations.*

In the ordinary course of our business, our Company and our Subsidiaries are involved in certain legal proceedings, pending at varying levels of adjudication before various courts, tribunals and appellate authorities. Any such action may include claims for substantial or unspecified compensatory and punitive damages, as well as civil, regulatory or criminal proceedings against our Directors, officers or employees, and the probability and amount of liability, if any, may be significant or remain unknown for significant periods of time. In this Prospectus, pending litigation involving our Company other than criminal proceedings, statutory or regulatory actions and taxation matters (pending actions or any actions taken in the past five years), are considered material if the monetary amount of claim by or against the entity or person in any such pending matter is in excess of ₹ 4.53 million. Our Company is in the process of litigating these matters, and based on the assessment in accordance with Ind AS 37, our Company has presently not made provision for any of the pending legal proceedings. For further details, refer to the section "*Financial Information – Restated Consolidated Financial Information – 51. Contingent Liabilities and Commitments – (a) Contingent Liabilities*" on page 259.

A summary of such legal proceedings, including material legal proceedings, is set out below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or stock exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs. in millions)
Company	Nil	4	Nil	Nil	Nil	4.17*
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	3	Nil	Nil	Nil	4.17*
Directors	1	1	Nil	Nil	Nil	10*
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	1	1	Nil	Nil	Nil	10*
Promoters	Nil	3	Nil	Nil	Nil	0.95
By Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against Promoters	Nil	3	Nil	Nil	Nil	0.95
Subsidiaries	19	5	1	Nil	2	105.13
By Subsidiaries	18	Nil	Nil	Nil	1	48
Against Subsidiaries	1	5	1	Nil	1	57.13

**To the extent quantifiable.*

Except as set out below, the Company did not have any contingent liabilities not provided for as of the respective periods.

Contingent liabilities	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Bank Gaurantee with exchanges as margin requirements	199.00	199.00	29.00	73.00
Income Tax Matters (refer note (i) below)	53.85	-	-	-
Claim against the Group not acknowledged as debt (refer note (ii) below)	-	-	3.42	-
Total	**252.85**	**199.00**	**32.42**	**73.00**

(i) Includes - Income Tax Demand for A.Y. 2013-14 of Rs. 53.85 millions received on September 29, 2021 by Prudent Broking Services Private Limited (PBSPL), a subsidiary of PCASL. PBSPL has filed appeals against the said order with CIT (Appeals). Pending the resolution of the appeals, the Company has agreed for payment of Rs 5.00 millions till August 31, 2022 out of which it has deposited Rs. 1.00 million as first instalment on January 27, 2022. PBSPL has assessed that it is only possible, but not probable, that outflow of economic resources will be required. Further income tax notices u/s 148 for reopening assessment u/s 147 have been received for A.Y. 2014-15, A.Y. 2015-16, A.Y. 2016-17 and A.Y. 2017-18 on similar kind of matter and company has filed writ petition with Gujarat High Court for all these assessment years.

(ii) Claim against Prudent Broking Services Private Limited ("**PBSPL**") not acknowledged as debt pertains to claims made by the client citing unauthorized trades had been placed by the PBSPL in the stock exchange. Pursuant to orders by Arbitral Tribunal pertaining to legal proceedings against clients, the PBSPL has been asked to bear an amount of ₹ 6.85 million which has been paid under protest by the PBSPL and shown as "Amount Paid under Protest" (Refer Note 10). Considering the facts of the case and the legal opinions, the PBSPL had made provision for 50% of the amount paid under protest amounting to ₹ 3.42 million in fiscal 2019-2020 and as the Company lost the legal case against client and there is no further prospects of recovery in case of client. Balance 50% amount i.e., ₹ 3.42 million is now written off during Fiscal 2020-21.

For further details, refer to the section "*Financial Information – Restated Consolidated Financial Information – 51. Contingent Liabilities and Commitments – (a) Contingent Liabilities*" on page 259.

Our contingent liabilities as a percentage of networth for the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019 was 11.77%, 12.62%, 2.88% and 8.78%, respectively.

Given the uncertainties and complexity of many of these regulatory or legal proceedings, their outcome generally cannot be predicted with any reasonable degree of certainty.

We cannot assure you that any of the outstanding legal proceedings will be settled in our favour, or that no additional liability will arise out of these proceedings. We may incur significant expenses and management time in such legal proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. An adverse outcome in any of these proceedings could have an adverse effect on our business, financial condition, results of operations, and prospects.

Moreover, even if we ultimately prevail in the litigation, regulatory action or investigation, we could suffer significant harm to our reputation, which could materially affect our prospects and future growth, including our ability to attract new MFDs, retain current MFDs and recruit and retain employees.

For further details, see "*Outstanding Litigation and Other Material Developments*" on page 298.

23. ***We have outstanding dues to creditors, which if not paid may lead to claims against our Company and in turn adversely impact our reputation and results of operations.***

We had trade payables to creditors other than micro enterprises and small enterprises in each of Fiscal 2021, Fiscal 2020 and Fiscal 2019 and for the nine months ended December 31, 2021 amounting to ₹ 939.35 million, ₹ 520.22 million, ₹ 695.44 million and ₹ 1,135.83 million respectively. The details pertaining to net outstanding dues towards our material creditors are available on the website of our Company at www.prudentcorporate.com/investorrelation. If any amounts due and payable to our creditors are not paid in a timely manner or at all, we may be subject to loss of reputation, adverse impact on results of operations and litigation for recovery of dues, including bankruptcy proceedings.

24. ***We have faced liabilities on account of delay or default in deposit of statutory dues which in turn may adversely impact our reputation and results of operations.***

We have in the past faced instances of delayed deposit of TDS and GST in Fiscals 2021, 2020 and Fiscal 2019. In this regard, in Annexure "B" to the Independent Auditor's report dated August 28, 2019, September 30, 2020 and July 22, 2021, our auditors have reported as follows "*The Company has generally been regular in depositing undisputed statutory dues of Provident Fund, Employees' State Insurance, Income-tax, Custom Duty, Goods and Services Tax, cess and other material statutory dues applicable to it to appropriate authorities except for slight delay in a few cases of tax deducted at source and Goods and Services Tax*". While we have not faced any penalties on account of such delayed deposit of statutory dues, there can be no assurance that such delays will not recur or that we will not be subject to penalties or interest thereon. Any such penalties or interest may adversely impact our reputation and results of operations. The audited financials of our Company are available on the website of our Company at www.prudentcorporate.com/investorrelation.

25. ***We may not be able to derive expected benefits from the acquisition of the mutual fund folios of Karvy Stock Broking Limited.***

Pursuant to the board resolution dated September 23, 2021, our Company participated in the bidding process for the acquisition/ transfer of Karvy Stock Broking Limited ("**KSBL**") and acquired the entire mutual fund folios/ AUM of KSBL ("**KSBL MF Folios**") for an amount of ₹ 1,510 million. The KSBL MF Folios have been transferred to our ARN with effect from November 28, 2021

We have not acquired similar folios in the past three years and our ability to integrate the folios forming part of the KSBL MF Folios and the MFDs catering to such clients in a seamless and timely manner is not guaranteed.

For instance, we understand that for the period of 27 days i.e. from November 1, 2021 to November 27, 2021, certain amounts pertaining to the KSBL MF Folios would be recovered from us since the KSBL MF Folios have been transferred to our ARN with effect from November 28, 2021. As on date, we are unable to ascertain the exact amount of commission to be recovered back from us since we have only received communication from one asset management company dated April 6, 2022, stating recoverable amount of ₹ 0.082 million (inclusive of GST @18%).

Further, we may not be able to derive any expected benefits from the acquisition of the KSBL MF Folios in the future, if we fail to appropriately service the new clients onboarded pursuant to the transfer or to provide adequate services to new MFDs onboarded on our system pursuant to the acquisition of the KSBL MF Folios. Integration of the KSBL MF Folios and new MFDs onboarded may require us to expend additional resources, while there is no guarantee of any benefits to our Company from us acquisition. We may not be able to onboard all the MFDs forming part of KSBL MF Folios.

26. ***We have undertaken and may continue to undertake strategic investments and alliances, acquisitions and mergers in the future, which may be difficult to integrate and manage. These may expose us to uncertainties and risks, any of which could adversely affect our business, financial conditions and result of operations.***

We have pursued and may continue to pursue strategic investments and alliances as a mode of expanding our operations. Going forward, we may undertake acquisitions, mergers, investments and expansions to enhance our operations and technological capabilities. There can be no assurance that we will be able to raise sufficient funds to finance such strategies for growth. Further, expansion and acquisitions may require us to incur or assume new debt, expose us to future funding obligations, legal claims, past liabilities, regulatory probes or integration risks and we cannot assure you that such expansion or acquisitions will contribute to our profitability.

For example, in Fiscal 2019, we have acquired the entire share capital of Gennext from certain individuals by way of a share purchase agreement dated June 8, 2018, for an aggregate consideration of ₹ 22.66 million. For further details, see "*History and Certain Corporate Matters*" on page 166.

The return on capital deployed in any acquisitions will depend on the price of the acquisitions and efficiency of integration of acquired business employees and assets. We may also face numerous risks and uncertainties combining, transferring, separating or integrating the relevant businesses and systems, including the need to align accounting and data-processing systems and management controls and to integrate relationships with clients, trading counterparties and business partners. We may not be able to realise the benefits we might anticipate from any such acquisitions, which may adversely affect our growth prospects and results of operations. Moreover, we may expend significant management attention trying to do so, but may not see results. In addition, there can be no assurance that we will be able to consummate our expansions, acquisitions, mergers or alliances in the future on terms acceptable to us, or at all.

We have in the past incurred losses from the sale of investments made in Prudent Fintrade Private Limited, amounting to ₹ 10.16 million in Fiscal 2019, pursuant to the order of the RBI dated June 11, 2019, directing the cancellation of the NBFC license of Prudent Fintrade Private Limited, on account of being unable meet regulatorily mandated net owned funds requirements. Additionally, factors such as competition, culture, regulatory regimes, business practices and customs and client requirements in new markets that we may target may differ from those in our current markets and our experience in our current markets may not be applicable to these new markets. In addition, as we enter new markets and geographical regions, we are likely to compete with other banks and financial institutions that already have a presence in those jurisdictions and markets. As these banks and financial institutions are more familiar with local regulations, business practices and customs, they may have developed stronger relationships with clients. Our business expansion may be exposed to various additional challenges, including obtaining the necessary governmental approvals, identifying and collaborating with local business and partners with whom we may have no previous working relationship, successfully gauging market conditions in the local markets in which we have no previous familiarity, attracting potential clients in a market in which we do not have significant experience or visibility, being susceptible to local laws, including taxation in additional geographical areas in India and overseas, and adapting our marketing strategy and operations to the different regions. Due to the aforementioned challenges, if we are unable to expand our current operations on favourable terms or at all it may adversely affect our business prospects, financial condition and results of operations.

27. ***We require certain approvals and licenses in the ordinary course of business, and the failure to obtain or retain them in a timely manner may have a material adverse effect on our operations.***

We require certain approvals, licenses, registrations and permissions for operating our business, some of which may have expired and for which we may have either made, or are in the process of making, an application for obtaining the approval for its renewal. While we have procured all material approvals for our operations, we are in the process of renewing/procuring certain approvals and licenses. Our Company has submitted an application for registering its offices in Panaji, Tiruchirapalli, Coimbatore and Hubli under the relevant shops and establishment act. It has also submitted applications for renewal of shops and establishment registration for its offices located at Ranchi, Durgapur and Siliguri. Further, our Company is yet to submit applications for registering its new offices at Godhara, Ahmednagar and Burdwan, under the relevant shops and establishment act of the specific states.

Gennext has applied for registering its offices in Udaipur, Ajmer, Jodhpur, Kolkata, Siliguri, Dehradun, Madurai and Hubli under the relevant shops and establishment acts of various state. It has also applied for the renewal of the shops and establishment certificate for its offices located at Durgapur.It is also yet to submit applications for registering its new offices at Jalandhar, Junagadh, Godhara, Burdwan, Bhavnagar, Madurai, Tiruchirappalli, Coimbatore, Ahmednagar and Panaji under the relevant shops and establishment act of the specific states. If we are unable to make applications 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, including having to find alternate locations for our offices, which may not be available in a timely and cost effective manner and temporary disruptions in our ability to provide physical services to our clients. Furthermore, our government approvals and licenses are subject to numerous conditions, some of which may be onerous and require us to make substantial compliance-related expenditure. If we are unable to comply or a regulator claims that we have not complied with these conditions, our reputation, business, prospects, financial condition and results of operations may be adversely affected.

For details see "*Government and Other Approvals – Material Approvals for which renewal applications have been made but not received by our Company and Material Subsidiary*" on page 307, "*Government and Other Approvals – Material Approvals for which applications have been made but not received by our Company and Material Subsidiary*" on page 308 and "*Government and Other Approvals – Material Approvals for which renewal applications are yet to be made by our Company and Material Subsidiary*" on page 308.

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

We have entered into transactions with several related parties which were conducted in compliance with applicable laws. While such transactions have been conducted on an arm's length basis and contain commercially reasonable terms, which are in the interest of the Company and its minority shareholders, in compliance with applicable laws now and in the future, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties, or that the respective regulatory authorities will concur with our views or will not seek adjustments to our income from taxation purposes. Further, the aggregate value of such related party transactions for each of Fiscal 2021, Fiscal 2020 and Fiscal 2019 and the nine month period ended December 31, 2021 to the total revenue was 2.70%, 4.12%, 7.08% and 39.66%, respectively.

For more information regarding our related party transactions, see "*Financial Information – Restated Consolidated Financial Information – Note 39 – Related Party Disclosures*" on page 249.

29. *We have in the past acquired an entity from certain related parties.*

Pursuant to a share purchase agreement dated June 8, 2018 with Gennext, Maitry Shah, Chirag Shah and Harshida Patel ("**SPA"**), our Company acquired 870,000 fully paid up equity shares of Gennext representing 100% of the total issued and paid up equity share capital of Gennext on a fully diluted basis, for an aggregate consideration of ₹ 22.66 million, from certain related parties. For details, see "*Financial Information – Restated Consolidated Financial Information – Note 39 – Related Party Disclosures*" on page 249. Further, the fair market value per equity share of Gennext as certified by Patel & Panchal, Chartered Accountants, by way of a certificate dated May 20, 2018 was ₹ 26.04 per equity share. There can be no assurance that such transactions could not have received higher value from third parties or that that we will not enter into similar related party transactions in the future.

30. *We may be unable to detect and deter misconduct of our employees or other third party service providers, or failure of our internal processes and procedures, which could harm our brand and our reputation, or lead to regulatory fines or litigation against us.*

Our business is exposed to the risk of employee and third-party misconduct, fraud, or the failure of our internal processes and procedures. We are vulnerable to reputational harm because we operate in an industry in which personal relationships, integrity and the confidence of our clients are of critical importance. Our employees and other third parties whom we deal with could engage in misconduct that adversely affect our business. For example, if an employee were to engage in illegal or suspicious activities, we could be subject to regulatory fines and suffer serious harm to our reputation (because of the negative perception resulting in such activities), financial position, client relationships and ability to attract new clients.

While we have internal processes to detect, prevent and monitor our employees, agents, distributors and other third parties and have not faced such a situation so far, we may not be successful in our endeavours.

Further, our internal processes and procedures may prove to be inadequate or incomplete to detect any such misconduct. Such misconduct could include, engaging in mis-selling, misrepresentation or fraudulent, deceptive or otherwise improper activities when marketing or selling products, binding us to transactions, hiding unauthorised or unsuccessful activities, such as insider trading, improperly using or disclosing confidential information, making illegal or improper payments, falsifying documents or data, recommending products, services or transactions that are not suitable for our clients, misappropriation of funds, engaging in unauthorised or excessive transactions detriment to our clients or not complying with applicable laws or our internal policies and procedures.

Due to the nature of business activities undertaken by us, our employees are also required to comply with various regulations, such as SEBI PIT Regulations, Stock Brokers Regulations, Research Analysts Regulations and Investment Advisers Regulations, IRDAI Insurance Brokers Regulations. Even though we have established an internal framework to monitor the conduct of our employees, we cannot assure you that none of our employees will violate the provisions of applicable law in the course of their employment with us or that all such violations would be detected by us in a timely manner, or at all. Any violation of applicable laws by our employees related to their employment with us may affect our business operations or reputation or result in imposition of vicarious liability on us by the Government or regulatory authorities.

Our business often requires that we deal with confidential information. If our employees were to improperly use or disclose this information, even if inadvertently, we could be subject to legal action and suffer serious harm to our reputation, financial position, and current and future business relationships. It is not always possible to deter employee misconduct, and the precautions we take to detect and prevent such activities may not always be effective. Misconduct by our employees, or even unsubstantiated allegations of misconduct, could result in an adverse effect on our reputation and our business. While we have implemented specific initiatives to reduce the likelihood of such situations occurring in future, including enhanced due diligence measures for high-risk cases and additional verification measures during the client on-boarding process, there can be no assurance that we will not be subjected to fraudulent claims in the future. We may also be subjected to fraudulent behaviour and disclosures by clients and third parties in respect of other areas of our operations, including money laundering and forgery, which may negatively impact our ability to comply with applicable regulations, which could result in us being subjected to regulatory action, and have an adverse impact on our results of operations, profitability and reputation.

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

We store clients' bank information and other sensitive data. While we have measures and systems in place to protect clients' confidential data, any accidental or wilful security breach or other unauthorised access could cause the theft and criminal use of this data. Security breach or unauthorised access to confidential information could also expose us to liability related to the loss of such 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 unauthorised access to client data, our relationships with clients will be severely damaged, and we could incur significant liability and reputational damage. 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 unauthorised access or to sabotage systems change frequently and generally are not recognised 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 clients to lose confidence in the effectiveness of our data security measures.

Further, we are subject to data privacy laws, rules and regulations that regulate the use of customer data. Compliance with these laws, rules and regulations may restrict our business activities, require us to incur increased expense and devote considerable time to compliance efforts. For example, data privacy laws, rules and regulations could limit our ability to cross-sell products. Applicable data privacy laws, rules and regulations could also limit our ability to use third-party firms in connection with customer data. In the event of any change in such norms in the future, we may be unable to honour our obligations under these agreements, which may adversely affect our business. Certain of these laws, rules and regulations are relatively new and their interpretation and application remain uncertain. Data privacy laws, rules and regulations are also subject to change and may become more restrictive in the future. Changes or further restrictions in data privacy laws, rules and regulations could have a material adverse effect on our business, financial condition and results of operations. With the proposed enactment of the Personal Data Protection Bill, 2019 ("**PDP Bill**"), and the ongoing regulatory discussions in connection with proposed Indian regulation to govern non-personal data, the privacy and data protection laws are set to be closely administered in India, and we may become subject to additional potential compliance requirements. The PDP Bill proposes a legal framework governing the processing of personal data, where such data has been collected, disclosed, shared or otherwise processed within India, as well as any processing of personal data by the GoI, Indian companies, Indian citizens or any person or body of persons incorporated or created under Indian law. The PDP Bill defines personal data and sensitive personal data, prescribes rules for collecting, storing and processing of such data and creates rights and obligations of data-subjects and processors. The Indian Government has also been mooting a legislation governing non-personal data. In September 2019, the Ministry of Electronics and Information Technology formed a committee of experts ("**NPD Committee**") to recommend a regulatory regime to govern non-personal data ("**NPD**"). The NPD Committee has released two reports till date, which recommend, among other items, a framework to govern NPD (defined as any data other than personal data), access and sharing of NPD with government and corporations alike and a registration regime and for "data businesses", being business that collect, process or store data, both personal and non-personal.

As part of our operations, we are required to comply with the IT Act and the rules thereof, which provides for civil and criminal liability including compensation to persons affected, penalties and imprisonment for various cyber related offenses, including unauthorized disclosure of confidential information and failure to protect sensitive personal data. India has already implemented certain privacy laws, including the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 and the recently introduced the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021, which impose limitations and restrictions on the collection, use, disclosure and transfer of personal information. For further details, see "*Key Regulations and Policies in India*" beginning on page 161.

Any security breach, whether actual or perceived, would harm our reputation, and result in loss of clients, which could in turn have a material adverse effect on our business, prospects, results of operations, financial condition or cash flows.

32. ***We cannot ensure that our intellectual property is protected from being copied or used by others, including our competitors, and intellectual property infringement actions may be brought against us, which could have a material adverse effect on our business.***

We use, among others, the name, brand and trademark '*PRUDENT*' and associated logos in the ordinary course of our business and in our corporate name. The trademark and tagline of "Money through wisdom", have been applied for, but the application is pending as on date. We also believe that maintaining and enhancing the brand and sub-brands, are critical to maintaining and expanding our client base.

As of the date of this Prospectus, we do not have any unregistered intellectual property rights, which may impact our ability to protect our intellectual property. We may be unable to detect the unauthorised use of, or take appropriate steps to enforce, our intellectual property rights. One of our trademark applications, in respect of "Policyworld" in class 36, have been objected to. Maintaining and enhancing our brand and sub-brands may require us to make substantial investments in various areas, such as product development, marketing and brand building activities, and these investments may not be successful. Failure to protect our intellectual property and trademarks adequately could harm our reputation and affect our ability to compete effectively. Further, defending our intellectual property rights may require significant financial and managerial resources, the expenditure of which may materially adversely affect our business, financial condition and results of operations. Further, we cannot assure you that such attempts to defend our intellectual property rights will be successful.

We may also be subject to claims that we have breached our licensed use of software or otherwise infringed on the intellectual property of third parties, including infringement by service providers who use such licences to provide services to us. Any of the above matters could have a material adverse effect on our business, results of operations, financial performance and the trading price of our Equity Shares.

33. ***We may require additional equity or debt in the future in order to continue to grow our business, which***

may not be available on favorable terms or at all.

As at December 31, 2021 our total outstanding borrowings amounting to ₹ 330.02 million consisting of unsecured loans availed from Mr. Sanjay Shah in PCASL and banks and financial institutions towards working capital requirements along with accrued interest thereon in PBSPL. There have been no instances of default in repayment of debt or restructuring or rescheduling of our borrowings in any of Fiscal 2021, Fiscal 2020 and Fiscal 2019 and the nine months ended December 31, 2021. Our strategy to grow our business may require us to raise additional funds for our working capital or long term business plans. We cannot assure you that such funds will be available on favorable terms or at all. Additional debt financing may increase our financing costs. Our financing agreements may contain terms and conditions that may restrict our ability to operate and manage our business, such as terms and conditions that require us to maintain certain pre-set debt service coverage ratios and leverage ratios and require us to use our assets, including our cash balances, as collateral for our indebtedness. If we are unable to raise additional funds on favorable terms or at all as and when required, our business, financial condition, results of operations, cash flows and prospects could be adversely affected.

34. ***We have issued corporate guarantees in respect of certain bank guarantees submitted by our Subsidiary PBSPL, which if called upon, may subject us to additional liabilities and strain our cash flows.***

In the ordinary course of its activities, our Subsidiary, PBSPL, is required to submit certain bank guarantees to various Stock Exchanges to secure its obligations. In respect of certain bank guarantees submitted by PBSPL, our Company has provided corporate guarantees to the lender as security for the issue of such bank guarantees. The aggregate liability of such corporate guarantees as of December 31, 2021 was ₹ 25 million. In the event that we are called upon to make payment of the amounts secured by way of the corporate guarantees, we would be subject to additional liabilities, which may strain our cash flows.

35. ***A majority of our immovable properties, including our Corporate Office, are leased. If we are unable to renew existing leases or relocate our operations on commercially reasonable terms, there may be an adverse effect on our business, financial condition and operations.***

We have taken on lease certain immovable properties including our Corporate Office, pursuant to long term leases. If we are unable to renew certain or all of these leases on commercially reasonable terms, we may suffer a disruption in our operations or be unable to continue to operate from those locations in the future. In addition, the terms of certain of our leases require us to obtain the lessor's prior consent for certain actions, which may not be available. Any failure to renew our leases or to find alternative property may have an adverse impact on our operations and profitability. In the event that we decide to terminate any of our current lease deeds, we may liable to pre-mature termination charges.

36. ***We lease certain properties from our Promoter and a member of our Promoter Group, for which they are entitled to receive rent.***

In the ordinary course of our operations, we had taken on lease certain properties from our Promoter and Managing Director and from a member of our Promoter Group, Ms. Niketa Shah. On account of such agreements, we have paid ₹ 0.82 million, ₹ 0.84 million, ₹ 1.08 million and ₹ 1.42 million in each of the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019 to related Our Promoter and Managing Director and a member of our Promoter Group, Ms. Niketa Shah, may be deemed to be interested in our Company to the extent of the above, in addition to remuneration payable to them or any benefits arising out of their shareholding in our Company. While all related party transactions were in the ordinary course of our business and on arms length basis, there can be no assurance that we could not have obtained commercially better terms from third parties. Further, we may continue to enter in to similar related party transactions in the future.

37. ***Our Promoter and Promoter Group will continue to have significant shareholding in us after the Offer, which will allow them to exercise significant influence over us.***

After the completion of the Offer, our Promoter and Promoter Group will have significant shareholding in our Company. Accordingly, our Promoter and Promoter Group will continue to exercise significant influence over our business and all matters requiring shareholders' approval, including the composition of our Board of Directors, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership may also delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of our Promoter and Promoter Group. Further, the Takeover Regulations may limit the ability of a third party to acquire control of our Company. The interests of our Promoter, as our Company's controlling shareholder, could conflict with our Company's interests, your interests or the interests of our other shareholders. However, the actions taken by our Company will be subject to the approval of our Board or shareholders, as necessary under the Companies Act and the Listing Regulations and in compliance with the Listing Regulations. There is no assurance that our Promoter will act to resolve any conflicts of interest in our Company's or in your favour. While efforts shall be made to resolve any conflict of interests between our existing shareholders with other shareholders of our Company, we cannot assure you that such conflicts of interest will not arise or be resolved. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

38. *Our Promoter, certain of our Directors and Key Management Personnel may be interested in our Company other than remuneration and reimbursement of expenses.*

Certain of our Directors and Key Management Personnel are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding, direct and indirect, and stock options in our Company and benefits arising therefrom. Our Promoter is also interested in our Company to the extent of his shareholding in our Company and to the extent of repayment of loans extended by him to our Company. Our Directors may also be interested to the extent of any transaction entered into by our Company with any other company/firm/entity in which they are director/promoter/partner. While we believe that our Promoter, Directors and our Key Management Personnel believe that they act in the benefit and best interest of the Company, there can be an assurance of continuing the same. For details, see "*Our Promoter and Promoter Group*", "*Our Management*" and "*Financial Information – Restated Consolidated Financial Information – Note 39 – Related Party Disclosures*" on pages 191, 173 and 249, respectively.

39. *Our ability to pay dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.*

The amount of our future dividend payments, if any, will be at the sole discretion of our Board of Directors and will depend on our future earnings, cash flows, financial condition, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that we will pay dividends. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. Additionally, in the future, we may be restricted by the terms of our financing agreements in making dividend payments unless otherwise agreed with our lenders. Our historical payment of dividends is not indicative of any payments of dividends in the future. We may be unable to pay dividends in the near or medium term and our future dividend policy will depend on our capital requirements, financial condition and results of operations. For further details, see "*Dividend Policy*" on page 196.

40. *Our insurance coverage may not be adequate to protect us against all potential losses, which may have a material adverse effect on our business, financial condition and results of operations.*

Our operations are subject to various risks inherent in the financial sector, as well as fire, theft, data crash, hacking, robbery, earthquake, pandemics, flood, acts of terrorism and other force majeure events. We have insurance policies providing coverage for our assets against losses from fire, theft, cyber risks and certain other risks. We also maintain insurance policies against third-party liabilities, including an errors and omissions policy, keyman insurance policies, stock brokers indemnity policy, group personal accident policy and a group health insurance policy to cover the medical expenses incurred by our employees during hospitalisation. We are not insured against business interruption, consequential damages, environmental damages and war - related events. As of December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, we maintained total insurance coverage of ₹ 249.76 million or 99.89%, ₹ 225.26 million or 94.27%, ₹ 194.24 million or 90.35%, ₹ 178.33 million or 94.23% of our total assets (excluding intangible and deferred tax assets), respectively. None of our insurance policies are assigned in favour of any third-party. We may not have identified every risk and further may not be insured against every risk, including operational risks that may occur. While we have not experienced any instance in the past three Fiscals wherein our claims have exceeded our insurance cover and had an adverse impact on our results of operations, the occurrence of an event that causes losses in excess of the limits specified in our policies, or losses arising from events or risks not covered by insurance policies or due to the same being inadequate, could adversely affect our results of operations, financial condition and cash flows. There can be no assurance that the insurance availed by us or risks covered under such insurance policies are adequate or any claims filed will be honoured fully or timely under our insurance policies. Also, our financial condition may be affected to the extent we suffer any loss or damage that is not covered by insurance or which exceeds our insurance coverage. In addition the insurance policies are subject to periodic renewal, and we may not be able to renew certain or any of our insurance policies upon their expiration, either on commercially acceptable terms or at all. Moreover, even if our losses are insured, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

41. ***We have not been able to obtain certain records of the educational qualifications of one of our Directors and have relied on an affidavit furnished by such Director for details of their profiles included in this Prospectus.***

One of our Independent Directors, Karan Kailash Datta, has been unable to trace copies of documents pertaining to his educational qualifications. While Karan Kailash Datta has requested for a copy of his degree from the University of Delhi, he has not received a response from the University of Delhi yet. He has also filed an FIR dated June 25, 2021. Accordingly, to the extent of disclosures relating to the foregoing, reliance has been placed on an affidavit furnished by him certifying the authenticity of the details of his educational qualifications.

We cannot assure you that the information relating to Karan Kailash Datta included in "*Our Management*" beginning on page 173, are true, accurate and not misleading.

42. ***We will not receive any proceeds from the Offer for Sale.***

This Offer consists of an Offer for Sale by the Selling Shareholders. The proceeds, net of the Offer expenses borne by the Selling Shareholders, from the Offer for Sale will be paid to the respective Selling Shareholders and our Company will not receive any such proceeds. For further details, see, "*Objects of the Offer*" on page 81.

External Risk Factors

Risks relating to India

43. ***Our operations are dependent on the performance of the Indian economy and securities market.***

The growth in our business has been directly related to the growth in the Indian economy, including the growing household savings. There have been periods of slowdown in the economic growth of India or periods where inflation was high. Such economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall, which affects agricultural production. Any slowdown or reversal in the growth of the Indian economy could result in a reduction in wealth in the Indian economy that can be diverted to savings and investment, a reduced interest in investment in the securities market and reduced foreign investment. Any such reductions could result in a reduction in our AuM and /or the commissions we can receive for our services.

Additionally, an increase in India's trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively impact interest rates and liquidity, which could adversely impact the Indian economy and our business. Any adverse revisions to India's sovereign debt ratings may also adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could adversely affect our business, prospects, financial condition and results of operations and our ability to obtain refinancing, as well as the trading price of the Equity Shares.

44. ***Political, economic or other factors that are beyond our control may have an adverse effect on 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 elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, 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 may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate 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.

45. *Natural disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.*

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India or countries to who we export our products could have a negative effect on us. 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 price of the Equity Shares. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. A worsening of the current outbreak of COVID-19 pandemic or future outbreaks of COVID-19 virus or a similar contagious disease could adversely affect the Indian economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

46. *A downgrade in ratings of India, may affect the trading price of the Equity Shares.*

Our borrowing costs and our access to the capital markets depend significantly on the credit ratings of India. India's sovereign rating decreased from Baa2 with a "negative" outlook to Baa3 with a "negative" outlook by Moody's and from BBB with a "stable" outlook to BBB with a "negative" outlook (Fitch) in June 2020; and from BBB "stable" to BBB "negative" by DBRS in May 2020. India's sovereign ratings from S&P is BBB-with a "stable" outlook. Any further adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

47. *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, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely 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 us. 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 negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Following the United Kingdom's exit from the European Union ("**Brexit**"), there remains significant uncertainty as to the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

48. ***If there is any change in laws or regulations, including taxation laws, or their interpretation, such changes may significantly affect our financial statements.***

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties. Further, adverse changes in capital gains tax or tax on capital market transactions or sale of securities or any adverse change in taxation of insurance products or other financial products distributed by us, could affect investor returns or the acceptability of any particular financial product. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

For instance, under the current regulatory regime the companies can voluntarily opt in favour of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for Indian companies from 34.94% to approximately 25.17%. Any such future amendments may affect other benefits such as exemption for interest received in respect of tax free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

Further, the Government of India has implemented a comprehensive national GST regime that combines taxes and levies by the central and state governments into a largely unified rate structure. Any such future increases in the GST rates or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable.

Due to COVID -19 pandemic, the Government of India also passed the Taxation and Other Laws (Relaxation of Certain Provisions) Act, 2020, implementing relaxations from certain requirements under, amongst others, the Central Goods and Service Tax Act, 2017 and Customs Tariff Act, 1975.

Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on the Company's business, financial condition and results of operations.

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 relating to compliance with such new requirements, which may also require 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.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have an adverse effect on our business.

49. ***High levels of inflation in the Indian economy may shift the trend of savings and investments adversely.***

Inflation rates in India have been volatile in recent years, and such volatility may continue. India has experienced high inflation in the recent past. Increasing inflation in India could cause a rise in the costs of rent, wages, raw materials and other expenses. 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 adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows. 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.

50. ***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.

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

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

52. ***Investors may not be able to enforce a judgment of a foreign court against us.***

Our Company is a company incorporated under the laws of India. All of our Company's Directors and officers are residents of India and all of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

Recognition and enforcement of foreign judgments is provided for under Section 13, Section 14 and Section 44A of the Code of Civil Procedure, 1908 ("**CPC**"). India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, Singapore, Hong Kong and the United Arab Emirates. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the CPC. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the United States, cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India. The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India.

53. ***Currency exchange rate fluctuations may have an adverse effect on our results of operations and value of the Equity Shares.***

Our financial information is presented in Indian Rupees. There is no guarantee that we may be able to manage our foreign currency risk effectively or mitigate exchange exposures, at all times and our inability may harm our results of operations and cause our results to fluctuate and/or decline.

The exchange rate between the Indian Rupee and the USD, Euro and other foreign currencies has changed considerably in recent years and may fluctuate substantially in the future. Fluctuations in the exchange rate between the Indian Rupee and other currencies may affect the value of a non-resident investor’s investment in the Equity Shares.

A non-resident investor may not be able to convert Rupee proceeds into USD, Euro or any other currency or the rate at which any such conversion may occur could fluctuate. In addition, our market valuation could be seriously harmed by the devaluation of the Rupee, if United States or other non-resident investors analyze our value based on the USD or Euro equivalent of our financial condition and results of operations. For historical exchange rate fluctuations, see “*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation*” on page 14.

Risks relating to the Equity Shares and this Offer

54. ***The trading volume and market price of the Equity Shares may be volatile following the Offer.***

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts’ recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

55. ***The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.***

The Offer Price of the Equity Shares has been determined by our Company and the Selling Shareholders in consultation with the Book Running Lead Managers through the Book Building Process. This price is based on numerous factors, as described under "*Basis for Offer Price*" on page 84 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to resell their Equity Shares at or above the Offer Price.

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

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the stock exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and volatility in the Stock Exchanges and securities markets elsewhere in the world.

57. ***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 in an Indian company are generally taxable in India.

A securities transaction tax ("**STT**") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long term capital gains tax in India at the specified rates depending on certain factors, such as STT is paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

Further, the Finance Act, 2022, which received the asset of the President of India on March 30, 2022, has, among other things, provided a number of amendments to the direct and indirect tax regime. There is no certainty on the impact that the Finance Act, 2022 may have on our business and operations or in the industry we operate in. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. 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.

Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our Company's business, financial condition, results of operations and cash flows.

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

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

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

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

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

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in FDI Policy. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 348.

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

Our Restated Consolidated Financial Information for Fiscals 2021, 2020 and 2019, and for the nine months ended December 31, 2021 have been prepared and presented in conformity with Ind AS. Ind AS differs in certain significant respects from Indian GAAP, IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should be limited accordingly.

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

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

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

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

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

SECTION III: INTRODUCTION

THE OFFER

The following table summarizes the Offer details:

Offer of Equity Shares by way of Offer for Sale by the Selling Shareholders(1)(2)	8,549,340* Equity Shares aggregating to ₹ 5,379.37 million*
of which:	
(i) Offer for Sale by Wagner Limited	8,281,340* Equity Shares aggregating to ₹ 5,210.74 million*
(ii) Offer for Sale by Shirish Patel	268,000* Equity Shares aggregating to ₹ 168.63 million*
of which:	
A) Employee Reservation Portion(5)	113,835* Equity Shares aggregating to ₹ 65.00 million*
B) Net Offer	
of which:	
QIB Portion(3)	4,217,752* Equity Shares
of which:	
Anchor Investor Portion	2,530,651* Equity Shares
Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	1,687,101* Equity Shares
of which:	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)(4)	84,356* Equity Shares
Balance of QIB Portion for all QIBs including Mutual Funds	1,602,745* Equity Shares
C) Non-Institutional Portion(3)	1,265,326* Equity Shares
D) Retail Portion	2,952,427* Equity Shares
Pre-Offer and post-Offer Equity Shares	
Equity Shares outstanding prior to and after the Offer	41,406,680 Equity Shares

* *Subject to finalization of the Basis of Allotment*

(1) *The Offer for Sale has been authorized by a resolution of our Board of Directors at their meeting held on July 22, 2021.*

(2) *The Selling Shareholders have authorised and consented to participate in the Offer for Sale. For details on authorization of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures" beginning on page 309. The Equity Shares being offered by the Selling Shareholders have been held for a period of at least one year immediately preceding the date of filing the Draft Red Herring Prospectus with the SEBI, and are otherwise eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations.*

(3) *Subject to valid bids having been received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, would have been allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the Book Running Lead Managers, and the Designated Stock Exchange, subject to applicable laws. The Equity Shares available for Allocation to Non-Institutional Bidders under the Non-Institutional Portion, was subject to the following (i) one-third of the portion available to Non-Institutional Bidders was reserved for applicants with an application size of more than ₹ 200,000 and up to ₹ 1 million; and (ii) two-third of the portion available to Non-Institutional Bidders was reserved for applicants with application size of more than ₹ 1 million, provided that the unsubscribed portion in either of the sub-categories specified above could be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allocation to each Non-Institutional Bidder could not be less than ₹ 200,000, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, were allocated on a proportionate basis. Allocation to Anchor Investors was on a discretionary basis. For further details, see "Offer Procedure" on page 329*

(4) *Our Company and the Selling Shareholders have, in consultation with the Book Running Lead Managers, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds only, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. For details, see "Offer Procedure" on page 329.*

(5) *In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation up to ₹ 500,000), shall be added to the Net Offer. For further details, see "Offer Structure" beginning on page 325.*

For details of the terms of the Offer including allocation, see "*Terms of the Offer*" beginning on page 320.

SUMMARY FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Consolidated Financial Information as at and for the nine months ended December 31, 2021 and for the financial years ended 2021, 2020 and 2019.

The Restated Consolidated Financial Information referred to above is presented under "*Financial Information*" beginning on page 197. The summary of financial information presented below should be read in conjunction with the Restated Consolidated Financial Information, the notes thereto and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 265.

Restated Consolidated Statement of Assets and Liabilities

(Rs. in Millions)

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
ASSETS				
I Financial Assets				
(a) Cash and Cash equivalents	321.90	993.32	806.39	542.15
(b) Bank Balances other than (a) above	207.50	398.78	166.61	117.64
(c) Securities for trade	63.86	131.20	39.60	14.97
(d) Trade receivables	876.44	683.12	394.71	776.02
(e) Loans	5.26	5.06	9.16	5.49
(f) Investments	326.12	205.87	61.95	71.96
(g) Other financial assets	116.05	102.92	146.46	127.38
Total Financial Assets	**1,917.13**	**2,520.27**	**1,624.88**	**1,655.61**
II Non-Financial Assets				
(a) Current Tax Asset (net)	10.09	7.54	7.66	6.77
(b) Deferred Tax Assets	15.04	35.72	31.41	16.88
(c) Property, Plant and Equipment	161.52	166.47	179.26	168.99
(d) Right-of-use assets	122.35	93.31	91.44	68.81
(e) Intangible assets	1,486.78	4.31	4.00	5.13
(f) Other non-financial assets	160.49	21.68	22.10	9.96
Total Non-Financial Assets	**1,956.27**	**329.03**	**335.87**	**276.54**
Total Assets	**3,873.40**	**2,849.30**	**1,960.75**	**1,932.15**
LIABILITIES AND EQUITY				
Liabilities				
I Financial Liabilities				
(a) Trade payables				
(a) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,135.83	939.35	520.22	695.44
(b) Borrowings	330.02	26.10	77.56	228.72
(c) Lease liabilities	127.65	99.91	94.34	72.03
(d) Other financial liabilities	31.67	25.23	12.80	3.44
Total Financial Liabilities	**1,625.17**	**1,090.59**	**704.92**	**999.63**
II Non-Financial Liabilities				
(a) Current Tax Liability (net)	4.55	12.41	2.74	3.55
(b) Provisions	70.35	57.29	47.21	29.50
(c) Other non-financial liabilities	21.65	112.55	80.69	68.49
(d) Deferred tax liability	3.66	0.01	0.01	0.01
Total Non-Financial Liabilities	**100.21**	**182.26**	**130.65**	**101.55**
Equity				
(a) Equity Share capital	207.03	10.34	10.34	10.34
(b) Instrument entirely equity in nature	-	0.02	0.02	0.02
(c) Other equity	1,940.99	1,566.09	1,114.82	820.61
Equity attributable to owners of the Company	**2,148.02**	**1,576.45**	**1,125.18**	**830.97**
Total Equity	**2,148.02**	**1,576.45**	**1,125.18**	**830.97**
Total Liabilities and Equity	**3,873.40**	**2,849.30**	**1,960.75**	**1,932.15**

Restated Consolidated Statement of Profit and Loss

(Rs. in Millions)

	Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
	Revenue from Operations				
I	Commission and Fees Income	3,140.71	2,775.58	2,293.11	2,153.68
II	Interest Income	31.52	33.03	47.81	64.80
III	Net gain on fair value changes	39.98	56.46	7.41	1.36
	Total Revenue from operations	**3,212.21**	**2,865.07**	**2,348.33**	**2,219.84**
IV	Other Income	67.77	83.89	13.87	30.74
V	**Total Income (I) + (II) + (III) + (IV)**	**3,279.98**	**2,948.96**	**2,362.20**	**2,250.58**
VI	**Expenses:**				
	Commission and Fees Expense	1,768.94	1,530.60	1,204.67	1,250.23
	Employee benefits expense	483.09	555.08	489.22	431.63
	Finance costs	18.91	16.56	26.79	30.85
	Impairment on Financial Instruments	(0.76)	20.39	11.80	(9.82)
	Depreciation and amortization expense	86.90	81.19	79.46	76.23
	Other expenses	145.98	139.90	175.92	165.75
	Total expenses (VI)	**2,503.06**	**2,343.72**	**1,987.86**	**1,944.87**
VII	**Restated Profit before exceptional items and tax (V) - (VI)**	**776.92**	**605.24**	**374.34**	**305.71**
VIII	**Exceptional Item**	-	-	-	**19.18**
IX	**Restated Profit before tax (VII) - (VIII)**	**776.92**	**605.24**	**374.34**	**286.53**
X	**Tax expense / (Benefit)**				
	Current tax	175.76	156.89	109.93	97.56
	Deferred tax	24.88	(4.62)	(14.12)	(21.22)
	Total Tax Expense (X)	**200.64**	**152.27**	**95.81**	**76.34**
XI	**Restated Profit after tax for the period / year (IX) - (X)**	**576.28**	**452.97**	**278.53**	**210.19**
XII	**Restated Other Comprehensive Income (OCI)**				
	(i) Items that will not be reclassified to profit or loss				
	(a) Re-measurement of the defined benefit plans	(2.16)	1.18	(6.12)	(2.03)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.55	(0.30)	1.25	0.59
	Total Restated Other Comprehensive Income/(Loss) (XII)	**(1.61)**	**0.88**	**(4.87)**	**(1.44)**
XIII	**Total Comprehensive Income for the period / year (XI) +/(-) (XII)**	**574.67**	**453.85**	**273.66**	**208.75**
XIV	**Profit for the period / year**	**576.28**	**452.97**	**278.53**	**210.19**
	Attributable to :				
	Owners of the Company	576.28	452.97	278.53	210.23
	Non Controlling interest	-	-	-	(0.04)
XV	**Total Comprehensive Income (TCI)**	**574.67**	**453.85**	**273.66**	**208.75**
	Attributable to :				
	Equity holders of the Parent	574.67	453.85	273.66	208.79
	Non Controlling interest	-	-	-	(0.04)
XVI	**Earnings per equity share [Not Annualised]**				
	- Basic (in Rs.)	13.94	10.96	6.74	5.08
	- Diluted (in Rs.)	13.94	10.94	6.73	5.08

Restated Consolidated Statement of Cash Flows

(Rs. in Millions)

	Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
A	**Cash flow from operating activities**				
	Restated Profit before Exceptional item and tax	**776.92**	**605.24**	**374.34**	**305.71**
	Adjustment for				
	Add : Depreciation and amortization expense	86.90	81.19	79.46	76.23
	Add : Finance costs	18.91	16.56	26.79	30.85
	Add: Bad Debts	0.08	8.41	9.98	28.76
	Add/(Less): Impairment allowances for Trade Receivables	(0.76)	(1.00)	11.80	(9.82)
	Add: Impairment allowances for Margin Money	-	21.39	-	-
	Add/(Less): Provision for Contingencies	-	(3.42)	3.42	-
	Add: Profit/Loss on sale of Property, Plant and Equipment	(0.05)	(0.51)	0.27	0.53
	(Less): Dividend Income	(0.05)	(0.02)	(0.17)	(4.43)
	(Less): Unrealized gain on Securities held-for-trading measured at FVTPL	(3.16)	(1.20)	13.28	0.72
	(Less): Net gain on financial instruments measured at FVTPL	(58.84)	(76.10)	(8.49)	(14.70)
	(Less) : Interest income	(6.02)	(39.96)	(52.00)	(12.33)
	Operating Profit before working capital changes	**813.93**	**610.58**	**458.68**	**401.52**
	Changes in working capital:				
	(Increase) / decrease in Trade receivables	(192.64)	(295.83)	371.17	(80.74)
	(Increase) / decrease in Loans	(0.20)	4.10	(1.79)	0.42
	(Increase) / decrease in Other Financial assets	16.24	19.81	(18.10)	5.76
	(Increase) / decrease in Other Non-Financial assets	(138.78)	(2.11)	(9.37)	(4.09)
	(Increase) / decrease in Securities held for Trade	70.50	(90.40)	(37.91)	(9.19)
	Increase / (decrease) in Trade payables	196.48	419.13	(175.25)	(48.73)
	Increase / (decrease) in Other financial liabilities	6.44	12.43	8.83	0.54
	Increase / (decrease) in Other non-financial liabilities	(90.90)	31.86	7.94	(22.32)
	Increase / (decrease) in Provisions	10.90	14.68	6.23	9.69
	Cash generated from Operations	**691.97**	**724.25**	**610.43**	**252.86**
	Less : Direct Tax (paid)	(186.17)	(147.03)	(107.65)	(129.66)
	Net cash generated from operating activities (A)	**505.80**	**577.22**	**502.78**	**123.20**
B	**Cash flow from investing activities**				
	Purchase of Property, Plant and Equipment / Intangible Assets	(1,525.26)	(17.07)	(34.61)	(44.47)
	Proceeds from sale of Property, Plant and Equipment	0.36	-	-	0.18
	Bank deposits / margin money withdrawn / (placed)	190.47	(231.71)	(55.30)	3.86
	Dividend Income	0.05	0.02	0.17	4.43
	Net Purchase of Investments	(61.41)	(67.82)	18.50	190.34
	Payment for acquisition of subsidiary	-	-	(22.65)	(3.91)
	Proceeds from disposal of subsidiary	-	-	-	0.10
	Payment towards acquisition of non-controlling interest in subsidiaries	-	-	-	(31.71)
	Interest received	7.33	39.87	46.24	8.91
	Net cash (used in)/ generated from investing activities (B)	**(1,388.46)**	**(276.71)**	**(47.65)**	**127.73**
C	**Cash flow from financing activities**				
	Proceeds from Borrowings	760.00	106.50	886.72	11.64
	Repayment of Borrowings	(456.00)	(157.37)	(1,037.30)	(3.44)
	Share Issue Expense	(34.18)	-	-	-
	Repayment of Lease Liabilities	(36.49)	(42.98)	(39.62)	(26.36)
	Proceeds from Issuance of Preference Shares	-	-	-	9.46
	Dividend Paid (including Dividend Distribution Tax)	(3.10)	(2.58)	(3.12)	(54.70)
	Finance Costs paid	(18.99)	(17.15)	(27.37)	(31.02)
	Net cash (used in) / generated from financing activities (C)	**211.24**	**(113.58)**	**(220.69)**	**(94.42)**
	Net increase/decrease in cash and cash equivalents (A+B+C)	**(671.42)**	**186.93**	**234.44**	**156.51**
	Cash and cash equivalents at the beginning of the period / year	993.32	806.39	542.15	382.08
	Add: Cash and Cash equivalents received on acquisition of subsidiary	-	-	29.80	3.66
	Less: Reduction in Cash and Cash Equivalents on account of loss of control of subsidiary	-	-	-	(0.10)
	Cash and cash equivalents at the end of the period / year	**321.90**	**993.32**	**806.39**	**542.15**

Restated Consolidated Statement of Cash Flows

(Rs. in Millions)

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash and cash equivalents comprises of:				
Cash on hand	0.55	0.51	0.48	0.40
Cheques on Hand	-	-	-	0.58
Balances with banks				
- In current accounts	215.74	982.87	279.65	204.28
- In Fixed Deposits with original maturity of less than three months	105.30	9.55	525.15	336.45
- Interest accrued but not due on Bank Deposits	0.31	0.39	1.11	0.44
Total cash and cash equivalents (Refer Note 6)	**321.90**	**993.32**	**806.39**	**542.15**

GENERAL INFORMATION

Our Company was incorporated on June 4, 2003, as '*Prudent Corporate Advisory Services Limited*', a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the RoC. Our Company commenced its operations pursuant to a certificate for commencement of business dated June 20, 2003, issued by the RoC.

Corporate Identity Number: U91120GJ2003PLC042458

Company Registration Number: 042458

Registered Office:

Prudent House
3 Devang Park Society
Panjarapole Cross Road
Ambawadi, Ahmedabad 380015
Gujarat

For details in relation to the change in the Registered Office of our Company, see "*History and Certain Corporate Matters – Changes in our Registered Office*" on page 166.

Corporate Office

3rd Floor, HUB Town Solaris
Telli Gally Junction, NS Marg
Andheri East, Mumbai 400069
Maharashtra

Address of the Registrar of Companies

Registrar of Companies, Gujarat

ROC Bhavan
Opposite Rupal Park Society
Behind Ankur Bus Stop
Naranpura, Ahmedabad 380 013
Gujarat

Company Secretary and Compliance Officer

Dhavalkumar Ghetia

Prudent House
3 Devang Park Society
Panjarapole Cross Road
Ambawadi, Ahmedabad 380 015
Gujarat
Tel: +91 79 4020 9600
Email: cs@prudentcorporate.com

Board of Directors

As on the date of this Prospectus, our Board comprises the following persons:

Name	Designation	DIN	Address
Sanjay Shah	Chairman and Managing Director	00239810	23, Shivalika Bunglow, Rajpath Club, Ambali Bopal, Hebatpur, Ahmedabad 380 058, Gujarat
Shirish Patel	Whole-time Director and Chief Executive Officer	00239732	3902, Tower C, Oberoi Esquire, Off. Western Express Highway, Goregaon East, Mumbai 400 063 Maharashtra

Chirag Shah	Whole-time Director	01480310	19, Brindawan Society, Behind Bhulka Bhavan, Adajan, Surat 395 009, Gujarat
Dhiraj Poddar	Non-executive Director*	01946905	001 Springs Island City Centre, Bombay Dyeing, G.D. Ambedkar Marg, Dadar East, Mumbai 400 014, Maharashtra
Deepak Sood	Independent Director	01642332	A 1001, Lodha Bellissimo, N.M. Joshi Marg, Apollo Mills Compound, Mahalaxmi, Jacob Circle, Mumbai 400 011, Maharashtra
Karan Kailash Datta	Independent Director	08413809	R 641, 1st Floor, New Rajender Nagar, Central Delhi 110 060, Delhi
Shilpi Thapar	Independent Director	00511871	D-54 Riviera Blues, Corporate Road, Opposite Vodafone House, Prahladnagar, Ahmedabad 380 015, Gujarat
Aniket Talati	Independent Director	02724484	4, Rushil, behind Pride Hotel, Judges Bunglows Road, Bodakdev, Ahmedabad 380 054, Gujarat

**Nominee director of Wagner Limited*

For further details of our Board of Directors, see "*Our Management*" beginning on page 173.

Filing of the Offer Documents

A copy of the Draft Red Herring Prospectus was filed electronically on the SEBI Intermediary Portal at https://siportal.sebi.gov.in/intermediary/index.html, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, and emailed at cfddil@sebi.gov.in. in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "Easing of Operational Procedure – Division of Issues and Listing – CFD."

A copy of the Red Herring Prospectus, along with the material contracts and documents to be filed under Section 32 of the Companies Act, 2013 have been filed with the RoC, and a copy of this Prospectus shall be filed with the RoC as required under Section 26 of the Companies Act and through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do.

Book Running Lead Managers

ICICI Securities Limited
ICICI Venture House
Appasaheb Marathe Marg
Prabhadevi, Mumbai – 400025
Maharashtra
Tel: +91 22 6807 7100
E-mail: prudent.ipo@icicisecurities.com
Investor Grievance E-mail: customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Shekher Asnani / Gaurav Mittal
SEBI Registration Number: INM000011179

Axis Capital Limited
1st Floor, Axis House
C-2, Wadia International Centre
P. B. Marg, Worli
Mumbai – 400025
Maharashtra
Tel: +91 22 4325 2183
E-mail: prudent.ipo@axiscap.in
Investor Grievance E-mail: complaints@axiscap.in
Website: www.axiscapital.co.in
Contact Person: Akash Aggarwal / Harish Patel
SEBI Registration Number: INM000012029

Equirus Capital Private Limited
12th Floor, C Wing Marathon Futurex
N M Joshi Marg
Lower Parel, Mumbai 400 013

Maharashtra
Tel: +91 22 4332 0700
E-mail: prudent.ipo@equirus.com
Investor Grievance E-mail: investorsgrievance@equirus.com
Website: www.equirus.com
Contact Person: Ankesh Jain
SEBI Registration Number: INM000011286

Syndicate Member

Equirus Securities Private Limited
A-2102 B, 21st Floor, A Wing
Marathon Futurex, N.M Joshi Marg
Lower Parel, Mumbai 400 013
Tel: +91 70690 30851
Email: mahek.gandhi@equirus.com
Website: www.equirus.com
Contact Person: Mahek Gandhi
SEBI Registration Number: INZ000251536

Legal Counsel to the Company and the Selling Shareholders as to Indian Law

J. Sagar Associates
Sandstone Crest
Sushant Lok Phase 1
Gurgaon 122 009, India
Tel: +91 124 439 0600

J. Sagar Associates
Vakils House
18, Sprott Road
Ballard Estate, Mumbai 400 001
Maharashtra, India
Tel: +91 22 4341 8600

Legal Counsel to the Book Running Lead Managers as to Indian Law

Trilegal
Peninsula Business Park
17th Floor, Tower B
Ganpat Rao Kadam Marg
Lower Parel (West), Mumbai 400 013
Maharashtra, India
Tel: +91 22 4079 1000

Statutory Auditor to our Company

Deloitte Haskins & Sells
Chartered Accountants
19th Floor, Shapath V
S.G. Highway
Ahmedabad – 380 015
Gujarat
Tel: +91 79 6682 7322
Email: hasutaria@deloitte.com
Peer Review Certificate Number: 012965
Firm Registration Number: 117365W

Changes in auditors

There has been no change in the statutory auditors of our Company during the last three years preceding the date of the Red Herring Prospectus and this Prospectus.

Registrar to the Offer

Link Intime India Private Limited
C 101, 247 Park
L.B.S. Marg, Vikhroli (West)
Mumbai 400 083, Maharashtra
Tel: +91 22 4918 6200
E-mail: prudent.ipo@linkintime.co.in
Investor grievance e-mail: prudent.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact person: Shanti Gopalkrishnan
SEBI registration number: INR000004058

Bankers to the Offer

Escrow Collection Bank, Refund Bank, Public Offer Account Bank and Sponsor Bank

Axis Bank Limited
'Trishul', Opposite Samartheshwar Mahadev
Ellis Bridge
Ahmedabad 380 006
Gujarat
Tel: +91 79 6630 6171/6102
E-mail: Ahmedabad.branchhead@axisbank.com
Contact Person: Dipak Hariprasad Dave/Ms. Reena Panicker
Website: www.axisbank.com

Bankers to our Company

Axis Bank Limited
'Trishul', Opposite Samartheshwar Temple
Law Garden
Ellis Bridge
Ahmedabad 380 006
Gujarat
Tel: +91 79 6630 6171
E-mail: Ahmedabad.branchhead@axisbank.com
Contact Person: Dipak Hariprasad Dave
Website: www.axisbank.com

Designated Intermediaries Self-Certified Syndicate Banks

HDFC Bank Limited
ALFA Building
FIG-OPS Department- Lodha
I Think Techno Campus 0-3 level
Next to Kanjurmarg Railway Station
Kanjurmarg (East), Mumbai 400042
Maharashtra
Tel: +91 22 307 52928
E-mail: sidharth.jadhav@hdfcbank.com/ prasanna.uchil@hdfcbank.com/ neerav.desai@hdfcbank.com/ eric.bacha@hdfcbank.com/ tushar.gavankar@hdfcbank.com
Contact Person: Sidharth Jadhav/ Prasanna Uchil/ Neerav Desai/ Eric Bacha/ Tushar Gavankar
Website: www.hdfcbank.com

The list of SCSBs notified by SEBI for the ASBA process is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a UPI Bidderusing the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP could submit the Bid cum Application Forms, available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.

SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Bidders Bidding using the UPI Mechanism could have applied through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time.

Registered Brokers

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

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or any other such websites of the Stock Exchanges, as updated from time to time.

Collecting Depository Participants

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

Experts

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

Our Company has received written consent dated May 14, 2022, from Deloitte Haskins & Sells, Chartered Accountants to include their name as required under Section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of their (i) examination report, dated February 15, 2022 relating to the Restated Consolidated Financial Information; and (ii) their report dated February 15, 2022 on the statement of special tax benefits available to our Company which appear elsewhere in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning as defined under the U.S. Securities Act.

Additionally, our Company has also received the consent from M/s Pramodkumar Dad & Associates, Chartered Accountant, to include their name in this Prospectus as an "expert" in terms of the Companies Act 2013 to the extent of and in their capacity as a firm of duly qualified and experienced in relation to their certificate dated August 12, 2021.

Monitoring Agency

As the Offer is an Offer for Sale of Equity Shares, our Company was not required to appoint a monitoring agency for this Offer.

Appraising Entity

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

Credit Rating

As the Offer is an Offer for Sale of Equity Shares, there is no credit rating required.

IPO Grading

As the Offer is an Offer for Sale of Equity Shares, no credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Trustees

As this is an offer of Equity Shares, the appointment of trustees is not required.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Inter-se allocation of responsibilities

The following table sets forth the inter-se allocation of responsibilities for various activities among the Book Running Lead Managers:

S. No.	Activity	Responsibility	Coordinator
1.	Capital structuring, due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing	BRLMs	I-SEC
2.	Drafting and approval of all statutory advertisement	BRLMs	I-SEC
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report	BRLMs	Equirus
4.	Appointment of intermediaries - Registrar to the Offer and advertising agency, including coordination of agreements entered into with such intermediaries	BRLMs	I-SEC
5.	Appointment of intermediaries - Banker(s) to the Offer, Sponsor Bank, printer and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	BRLMs	Axis
6.	International institutional marketing of the Offer, which will cover, *inter alia*: · marketing strategy; · Finalizing the list and division of investors for one-to-one meetings; and · Finalizing road show and investor meeting schedule	BRLMs	Axis
7.	Preparation of roadshow presentation and frequently asked questions	BRLMs	Axis
8.	Domestic institutional marketing of the Offer, which will cover, *inter alia*: · marketing strategy; · Finalizing the list and division of investors for one-to-one meetings; and · Finalizing road show and investor meeting schedule	BRLMs	I-SEC
9.	Non-institutional marketing of the Offer	BRLMs	Equirus

S. No.	Activity	Responsibility	Coordinator
10	Retail marketing of the Offer, which will cover, *inter alia*, · Finalising media, marketing and public relations strategy including list of frequently asked questions at retail road shows; · Finalising centres for holding conferences for brokers, etc.; · Follow-up on distribution of publicity and Offer material including application form, the Prospectus and deciding on the quantum of the Offer material; and · Finalising collection centres	BRLMs	Axis
11	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading, payment of 1% security deposit, anchor coordination, anchor CAN and intimation of anchor allocation	BRLMs	Equirus
12	Managing the book and finalization of pricing in consultation with the Company	BRLMs	I-SEC
13	Post-Offer activities, which shall involve essential follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT on behalf of the Selling Shareholders and coordination with various agencies connected with the post-Offer activity such as Registrar to the Offer, Bankers to the Offer, Sponsor Bank, SCSBs including responsibility for underwriting arrangements, as applicable. Coordinating with Stock Exchanges and SEBI for submission of all post-Offer reports including the initial and final post-Offer report to SEBI, release of 1% security deposit post closure of the Offer	BRLMs	Axis

Book Building Process

Book Building Process, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band, and minimum Bid Lot size have been decided by our Company and the Selling Shareholders in consultation with the Book Running Lead Managers, and were advertised in editions of Financial Express, an English national newspaper, editions of Jansatta, a Hindi national newspaper and editions of Jaihind, a Gujarati daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Offer Price has been determined by our Company and the Selling Shareholders in consultation with the Book Running Lead Managers after the Bid/Offer Closing Date.

All Bidders, except Anchor Investors, were mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount was blocked by SCSBs. In addition to this, the RIBs and the Eligible Employees could participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount was blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors were not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders were not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders could revise their Bids during the Bid/Offer Period and withdraw their Bids on or before the Bid/Offer Closing Date. Further, Anchor Investors could not withdraw their Bids after the Anchor Investor Bid/Offer Period. Allocation to the Anchor Investors was on a discretionary basis.

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

Investors should note the Offer is also subject to: (i) obtaining final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) filing of this Prospectus with the RoC. For further details on the method and procedure for Bidding, see "*Offer Structure*" and "*Offer Procedure*" beginning on pages 325 and 329, respectively.

Illustration of Book Building and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "*Offer Procedure*" beginning on page 329.

Underwriting Agreement

Our Company and the Selling Shareholders have entered into the Underwriting Agreement with the Underwriters for the Equity Shares offered in the Offer.The Underwriting Agreement is dated May 14, 2022. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters is several and subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

Name, Address, Telephone Number and Email Address of the Underwriters	Indicative Number of Equity Shares to be Underwritten*	Amount Underwritten (in ₹ million)
ICICI Securities Limited ICICI Venture House Appasaheb Marathe Marg, Prabhadevi Mumbai – 400025, Maharashtra **Tel:** + 91 22 6807 7100 **E-mail:** prudent.ipo@icicisecurities.com	2,849,780	1,795.36
Axis Capital Limited 1st Floor, Axis House C-2, Wadia International Centre P.B. Marg, Worli Mumbai 400 025, Maharashtra **Tel:** +91 22 4325 2183 **E-mail:** prudent.ipo@axiscap.in	2,849,780	1,795.36
Equirus Capital Private Limited 12th Floor, C Wing, Marathon Futurex N. M. Joshi Marg, Lower Parel, Mumbai 400 013, Maharashtra **Tel:** +91 22 4332 0700 **E-mail:** prudent.ipo@equirus.com	2,849,680	1,795.30
Equirus Securities Private Limited A-2102 B, 21st Floor, A Wing Marathon Futurex, N M Joshi Marg Lower Parel Mumbai 400 013 **Tel:** +91 70690 30851 **E-mail:** mahek.gandhi@equirus.com	100	0.06

* *Subject to finalization of the Basis of Allotment*

The abovementioned underwriting commitments are indicative and will be finalised after finalisation of the Basis of Allotment in accordance with provisions of the SEBI ICDR Regulations.

In the opinion of our Board, the resources of the abovementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The abovementioned Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. Our Board, at its meeting held on May 13, 2022 has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

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

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as on the date of this Prospectus, is set forth below.

(In ₹ million, except share data)

Sr. No.	Particulars	Aggregate value at face value (₹)	Aggregate value at Offer Price
A.	**AUTHORIZED SHARE CAPITAL**[1]		
	48,000,000 Equity Shares of ₹ 5 each	240.00	-
	2,000,000 preference shares of ₹ 5 each	10.00	-
B.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	41,406,680 Equity Shares of ₹ 5 each	207.03	-
C.	**PRESENT OFFER IN TERMS OF THE RED HERRING PROSPECTUS AND THIS PROSPECTUS**		
	Offer for Sale of 8,549,340* Equity Shares[(2)(3)]	42.75	5,379.37
	Which includes		
	Employee Reservation Portion of 113,835* Equity Shares	0.57	65.00
	Net Offer of 8,435,505 Equity Shares	42.18	5,314.37
D.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	41,406,680 Equity Shares of ₹ 5 each	207.03	-
E.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	9.54	
	After the Offer	9.54	

* *Subject to finalization of the Basis of Allotment*

(1) *For details in relation to changes in the authorised share capital of our Company, see "History and Certain Corporate Matters – Amendments to the Memorandum of Association" on page 167.*

(2) *The Offer has been authorized by our Board pursuant to its resolution dated July 22, 2021.*

(3) *Each Selling Shareholder severally and not jointly confirms that the Offered Shares have been held by such Selling Shareholders for a period of at least one year prior to filing of the Draft Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations and accordingly, are eligible for the Offer in accordance with the provisions of the SEBI ICDR Regulations. For details on the authorization of each of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures" on page 309.*

(4) *Eligible Employees bidding in the Employee Reservation Portion must ensure that the maximum Bid Amount does not exceed ₹500,000 (net of Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (net of Employee Discount). Only in the event of an under-subscription in the Employee Reservation Portion post the initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000 (net of Employee Discount), subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount)*

Notes to the Capital Structure

1. **Share Capital History of our Company.**

a. History of Equity Share capital

The following table sets forth the history of the Equity Share capital of our Company.

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Nature of allotment	Name of allottees	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital
May 26, 2003	50,000	10	10	Cash	Subscription to the MoA[(1)]	Sanjay Shah was allotted 8,000 equity shares, Nikita Shah was allotted 7,000	50,000	500,000

						equity shares, Rameshchandra Shah was allotted 7,000 equity shares, Sonal P. Mehta was allotted 7,000 equity shares, Jignesh Patel was allotted 7,000 equity shares, Mittal Shah was allotted 7,000 equity shares and Jignesh T. Parekh was allotted 7,000 equity shares		
February 6, 2009	1,000	10	100	Cash	Further issue(2)	Shirish Patel was allotted 500 equity shares and Harshida Patel was allotted 500 equity shares.	51,000	510,000
March 30, 2009	918,000	10	N.A.	N.A.	Bonus issue(3)	Sanjay Shah was allotted 270,000 equity shares, Niketa Shah was allotted 252,000 equity shares, Rameshchandra Shah was allotted 126,000 equity shares, Sonal P. Mehta was allotted 126,000 equity shares, Vishal Shah was allotted 126,000 equity shares, Shirish Patel was allotted 9,000 equity shares and Harshida Patel was allotted 9,000 equity shares, in the ratio of 18 equity shares for every one equity share held by them.	969,000	9,690,000
March 8, 2010	31,000	10	10	Cash	Further issue(4)	Kokilaben Rameshchandra Shah was allotted 31,000 equity shares	1,000,000	10,000,000
February 13, 2017	33,600	10	10	Cash	Rights issue(5)	Shirish Patel was allotted 16,300 equity shares, Harshida Shirish Patel was allotted 16,300 equity	1,033,600	10,336,000

						shares and Sakhi Shah was allotted 1,000 equity shares.		
August 3, 2021	19,638,400	10	N.A.	N.A.	Bonus issue(6)	Sanjay Shah was allotted 8,529,100 equity shares, Maitry Shah was allotted 1,311,000 equity shares, Sakhi Shah was allotted 1,311,000 equity shares, Shirish Patel was allotted 619,400 equity shares, Rameshchandra Shah was allotted 28,500 equity shares, Rameshchandra Shah (HUF) was allotted 1,900 equity shares and Wagner Limited was allotted 7,837,500 equity shares, in the ratio of 19 equity shares for every one equity share held by them	20,672,000	206,720,000
Pursuant to our Shareholders' resolution dated July 23, 2021, each equity share of our Company of face value of ₹ 10 each fully paid-up was sub-divided into two Equity Shares of our Company of face value of ₹ 5 each. Therefore, 20,672,000 equity shares of our Company of face value of ₹ 10 each were sub-divided into 41,344,000 Equity Shares of our Company of face value of ₹ 5 each.								
November 30, 2021	62,680	5	N.A.	N.A.	Conversion of compulsorily convertible preference shares in the ratio of one equity share for every one preference share of the Company held by Wagner(7)	Wagner Limited was allotted 62,680 Equity Shares pursuant to conversion of 62,680 compulsorily convertible preference shares vide our Board and Shareholders' resolutions dated November 30, 2021, respectively.	41,406,680	207,033,400

b. History of Preference Share capital

The following table sets forth the history of the Preference Share capital of our Company.

Date of allotment	Number of Preference Shares allotted	Face value per Preference Share (₹)	Issue price per Preference Share (₹)	Nature of consideration	Reason for allotment	Cumulative number of Preference Shares	Cumulative paid-up Preference Share capital (₹)
July 13, 2018	1,567*	10	6,037.68	Cash	Rights issue of 1,567 compulsorily	1,567	15,670

					convertible preference shares to Wagner Limited		
August 3, 2021	29,773**	10	N.A.	N.A.	Bonus issue of 29,773 compulsorily convertible preference shares to Wagner Limited.	31,340	313,400
Pursuant to our Shareholders' resolution dated July 23, 2021, each preference share of our Company of face value of ₹ 10 each fully paid-up was sub-divided into two Preference Shares of our Company of face value of ₹ 5 each. Therefore, 31,340 preference shares of our Company of face value of ₹ 10 each were sub-divided into 62,680 Preference Shares of our Company of face value of ₹ 5 each.							

** 1,567 compulsorily convertible preference shares have been converted into 1,567 fully paid-up Equity Shares pursuant to resolutions passed by our Board and Shareholders' dated November 30, 2021, respectively and in accordance with Regulation 5(2) of the SEBI ICDR Regulations.*
*** 29,773 compulsorily convertible preference shares have been converted into 29,773 fully paid-up Equity Shares pursuant to resolutions passed by our Board and Shareholders' dated November 30, 2021, respectively and in accordance with Regulation 5(2) of the SEBI ICDR Regulations.*

c. **Shares issued for consideration other than cash or out of revaluation of reserves**

Except as detailed below, our Company has not issued any Equity Shares or Preference Shares for consideration other than cash. Our Company has made following allotments pursuant to bonus issuance since its inception:

Date of allotment	Number of Shares allotted	Face value per Share (₹)	Issue price per Share (₹)	Reasons for allotment
March 30, 2009	918,000	10	N.A.	Bonus issue of 270,000 equity shares to Sanjay Shah, 252,000 equity shares to Niketa Shah, 126,000 equity shares to Rameshchandra Shah, 126,000 equity shares to Sonal P. Mehta, 126,000 equity shares to Vishal Shah, 9,000 equity shares to Shirish Patel and 9,000 equity shares to Harshida Shirish Patel, in the ratio of 18 equity shares for every one equity share held by them
August 3, 2021	19,638,400	10	N.A.	Bonus Issue of 8,529,100 equity shares to Sanjay Shah, 1,311,100 equity shares to Sakhi Shah, 1,311,100 equity shares to Maitry Shah, 28,500 equity shares to Rameshchandra Shah, 619,400 equity shares to Shirish Patel, 1,900 equity shares to Rameshchandra Shah (HUF) and 7,837,500 equity shares toWagner Limited, in the ratio of 19 equity shares for every one equity share held by them

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2. **Share Capital History of the Selling Shareholders**

a. History of Equity Share capital of the Selling Shareholders

The following table sets forth the history of the Equity Share capital of Shirish Patel.

Date of allotment / transfer	Reason/ Nature of transaction	Number of Equity Shares	Nature of consideration	Face Value (₹)	Issue price / Transfer price per Equity Share (₹)	% of pre-Offer capital	% of post-Offer capital
February 6, 2009	Further issue	500	Cash	10	100	0.001	0.001
March 30,	Bonus issue	9,000	N.A.	10	N.A.	0.02	0.02

2009							
February 13, 2017	Rights issue	16,300	Cash	10	10	0.04	0.04
July 13, 2018	Gift from Harshida Patel	16,300	N.A.	10	N.A.	0.04	0.04
July 13, 2018	Sale to Wagner Limited	(9,500)	Cash	10	(50,000)	0.02	0.02
August 3, 2021	Bonus issue	619,400	N.A.	10	N.A.	1.50	1.50
Pursuant to our Shareholders' resolution dated July 23, 2021, each equity share of our Company of face value of ₹ 10 each fully paid-up was sub-divided into two Equity Shares of our Company of face value of ₹ 5 each. Therefore, 652,200 equity shares of our Company of face value of ₹ 10 each held by Shirish Patel were sub-divided into 1,304,000 Equity Shares of our Company of face value of ₹ 5 each.							

The following table sets forth the history of the Equity Share capital of Wagner Limited.

Date of allotment / transfer	Reason/ Nature of transaction	Number of Equity Shares	Nature of consideration	Face Value (₹)	Issue price / Transfer price per Equity Share (₹)	% of pre-Offer capital	% of post-Offer capital
July 13, 2018	Acquisition from Niketa Shah, Ramesh C Shah, Shirish Patel and Harshida Patel	412,500	Cash	10	6,037.68	1.00	1.00
August 3, 2021	Bonus issue	7,837,500	N.A.	10	N.A.	18.93	18.93
Pursuant to our Shareholders' resolution dated July 23, 2021, each equity share of our Company of face value of ₹ 10 each fully paid-up was sub-divided into two Equity Shares of our Company of face value of ₹ 5 each. Therefore, 8,250,000 equity shares of our Company of face value of ₹ 10 each held by Wagner Limited were sub-divided into 16,500,000 Equity Shares of our Company of face value of ₹ 5 each.							
November 30, 2021	Conversion of compulsorily convertible preference shares in the ratio of one equity share for every one preference share of the Company held by Wagner	62,680	N.A.	5	N.A.	0.15	0.15

b. History of Preference Share capital of the Selling Shareholders

The following table sets forth the history of the Preference Share capital of our Wagner Limited.

Date of allotment / transfer	Reason/ Nature of transaction	Number of Equity Shares	Nature of consideration	Face Value (₹)	Issue price / Transfer price per Equity Share (₹)	% of pre-Offer capital	% of post-Offer capital
July 13, 2018	Rights issue	1,567*	Rights issue	10	6,037.68	0.004	0.004
August 3, 2021	Bonus issue	29,773**	Bonus issue	10	N.A.	0.071	0.071
Pursuant to our Shareholders' resolution dated July 23, 2021, each preference share of our Company of face value of ₹ 10 each fully paid-up was sub-divided into two Preference Shares of our Company of face value of ₹ 5 each							

** 1,567 compulsorily convertible preference shares have been converted into 1,567 fully paid-up Equity Shares pursuant to resolutions passed by our Board and Shareholders' dated November 30, 2021, respectively and in accordance with Regulation 5(2) of the SEBI ICDR Regulations.*
*** 29,773 compulsorily convertible preference shares have been converted into 29,773 fully paid-up Equity Shares pursuant to resolutions passed by our Board and Shareholders' dated November 30, 2021, respectively and in accordance with Regulation 5(2) of the SEBI ICDR Regulations.*

Our Company has not allotted any Equity Shares or Preference Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act, 2013, as applicable.

Our Company does not have any employee stock option schemes as on the date of this Prospectus.

Except as disclosed below, our Company has not issued any Equity Shares or Preference Shares in the last one year immediately preceding the date of the Red Herring Prospectus and this Prospectus at a price which may be lower than the Offer Price:

Date of allotment	Number of Shares allotted	Face value per Share (₹)	Issue price per Share (₹)	Reasons for allotment	Nature of consideration
August 3, 2021	19,638,400	10	N.A.	Bonus Issue^	NA

^Sanjay Shah was allotted 8,529,100 equity shares, Maitry Shah was allotted 1,311,000 equity shares, Sakhi Shah was allotted 1,311,000 equity shares, Shirish Patel was allotted 619,400 equity shares, Rameshchandra Shah was allotted 28500 equity shares, Rameshchandra Shah (HUF) was allotted 1900 shares and Wagner Limited was allotted 7,837,500 equity shares, in the ratio of 19 equity shares for every one equity share held by them. Pursuant to our Shareholders' resolution dated July 23, 2021, each equity share of our Company of face value of ₹ 10 each fully paid-up was sub-divided into two Equity Shares of our Company of face value of ₹ 5 each.

3. **History of the share capital held by our Promoter**

As on the date of this Prospectus, Sanjay Shah, our Promoter holds, in aggregate, 17,952,250 Equity Shares, which constitutes 43.36% of the issued, subscribed and paid-up Equity Share capital of our Company.

a. Build-up of the shareholding of our Promoter in our Company

The details regarding the shareholding of our Promoter since incorporation of our Company is set forth in the table below.

Date of allotment/ transfer	Reason/ Nature of transaction	Number of Equity Shares	Nature of consideration	Face value (₹)	Issue price/ Transfer price per Equity Share (₹)	% of pre-Offer capital	% of post-Offer capital
May 26, 2003	Subscription to MoA	8,000	Cash	10	10	0.02	0.02
February 25, 2009	Transfer from Jignesh Parekh	7,000	Cash	10	10	0.02	0.02
March 30, 2009	Bonus issue in the ratio of 18 equity shares for every one equity share held	270,000	N.A.	10	N.A.	0.65	0.65
April 28, 2010	Transfer from Sonal P. Mehta	132,900	Other than cash	10	N.A.	0.32	0.32
July 30, 2013	Transfer from Rameshchandra Shah	31,000	Other than cash	10	N.A.	0.07	0.07
August 3, 2021	Bonus issue	8,529,100	N.A.	10	N.A.	20.60	20.60
Pursuant to our Shareholders' resolution dated July 23, 2021, each equity share of our Company of face value of ₹ 10 each fully paid-up was sub-divided into two Equity Shares of our Company of face value of ₹ 5 each. Therefore, 8,978,000 equity shares of our Company of face value of ₹ 10 each held by Sanjay Shah, were sub-divided into 17,956,000 Equity Shares of our Company of face value of ₹ 5 each.							
October 11, 2021	Transfer by way of gift to Hemang Ashokbhai Thekadi, Mayank Ashokkumar Thekadi and Vimalkumar Ashokkumar Thekadi	3,750	N.A.	5	N.A.	0.01	0.01

All the Equity Shares held by our Promoter were fully paid-up on the respective dates of acquisition of such Equity Shares.

b. Shareholding of our Promoter and Promoter Group

Set forth below is the shareholding of our Promoter and members of the Promoter Group as on the date of this Prospectus.

S. No.	Name of shareholder	Number of Equity Shares	% of pre-Offer capital
Promoter			
1.	Sanjay Shah	17,952,250	43.36
Sub total (A)		*17,952,250*	*43.36*
Promoter Group			
1.	Maitry Shah	2,760,000	6.67
2.	Sakhi Shah	2,760,000	6.67
3.	Rameshchandra Shah	27,400	0.07
4.	Ramesh C. Shah HUF	4,000	0.01
5.	Sonal Paresh Mehta	1,500	Negligible
6.	Sunitaben Chetankumar Dhuvad	1,500	Negligible
7.	Sanjay Shah Family Trust	1,000	Negligible
8.	Hemang Ashokbhai Thekdi	1,250	Negligible
9.	Mayank Ashokbhai Thekdi	1,250	Negligible
10.	Vimalkumar Ashokbhai Thekdi	1,250	Negligible
Sub total (B)		*5,559,150*	*13.42*
Total (A+B)		**23,511,400**	**56.78**

c. Details of Promoter's contribution and lock-in

(i) Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post- Offer Equity Share capital of our Company held by our Promoter shall be locked in for a period of three years as minimum promoter's contribution from the date of Allotment or for such other time as may be required under applicable law ("**Minimum Promoter's Contribution**") and the shareholding of the Promoter in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of one year from the date of Allotment or for such other time as may be required under applicable law.

(ii) Details of the Equity Shares to be locked-in as Minimum Promoter's Contribution are set forth in the table below:

Name of Promoter	Number of Equity Shares locked-in	Date of allotment/ transfer of Equity Shares and when made fully paid-up*	Nature of transaction	Face Value per Equity Share (₹)	Issue/ Acquisition price per Equity Share (₹)	Percentage of the fully diluted pre- Offer paid- up capital (%)	Percentage of the post-Offer paid-up capital (%)	Date up to which Equity Shares are subject to lock-in
Sanjay Shah	4,250	May 26, 2003	Subscription to the MoA	10	10	0.01	0.01	3 years from the date of Allotment.
	7,000	February 12, 2009	Transfer	10	10	0.02	0.02	
	270,000	March 30, 2009	Bonus issue	10	N.A.	0.65	0.65	
	132,900	April 28, 2010	Transfer	10	N.A.	0.32	0.32	
	31,000	July 30, 2013	Transfer	10	N.A.	0.07	0.07	
	7,836,186	August 3, 2021	Bonus issue	10**	N.A.	18.93	18.93	
Total	**8,281,336**	-	-	-	-	**20.00**	**20.00**	-

** All the Equity Shares held by our Promoter were fully paid-up on the respective dates of acquisition of such Equity Shares.*
*** Pursuant to our Shareholders' resolution dated July 23, 2021, each equity share of our Company of face value of ₹ 10 each fully paid-up was sub-divided into two Equity Shares of our Company of face value of ₹ 5 each.*

(iii) Our Company undertakes that the Equity Shares that are being locked-in are not and will not be, ineligible for computation of Minimum Promoter's Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, our Company confirms the following:

(a) The Equity Shares offered for Minimum Promoter's Contribution do not include Equity Shares acquired during the three immediately preceding years from the date of filing of the Draft Red Herring Prospectus (i) for consideration other than cash, and revaluation of assets or capitalization of intangible assets, (ii) pursuant to a bonus issue out of revaluation reserves or unrealized profits of our Company or from a bonus issue against Equity Shares, which are otherwise ineligible for computation of Minimum Promoter's Contribution;

(b) The Minimum Promoter's Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(c) Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm;

(d) The Equity Shares forming part of the Minimum Promoter's Contribution are not subject to any pledge; and

(e) All the Equity Shares held by our Promoter shall be held in dematerialized form.

d. Details of other Equity Shares locked-in

In terms of Regulation 17 of the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital held by persons other than our Promoter will be locked-in for a period of one year from the date of Allotment in the Offer or for such other time as may be required under applicable law, except Offered Shares and any other categories of shareholders exempted under Regulation 17 of the SEBI ICDR Regulations.

Any unsubscribed portion of the Offered Shares would also be locked-in as required under Regulation 17 of the SEBI ICDR Regulations.

e. Lock-in of Equity Shares Allotted to Anchor Investors

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in the following manner: There shall be a lock-in of 90 days on 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment, and a lock-in of 30 days on the remaining 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment.

f. Other lock-in requirements:

Pursuant to Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoter and locked-in may be transferred to and amongst the members of our Promoter Group or to any new promoter, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable.

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoter and locked-in, as mentioned above, may be pledged as collateral security for a loan granted by a scheduled commercial bank, a public financial institution, NBFC-SI or a housing finance company, subject to the following:

(i) with respect to the Equity Shares locked-in for one year from the date of Allotment or for such other time as may be required under applicable law, such pledge of the Equity Shares must be one of the terms of the sanction of the loan; and
(ii) with respect to the Equity Shares locked-in as Minimum Promoter's Contribution for three years from the date of Allotment or for such other time as may be required under applicable law, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoter and locked-in for a period of one year from the date of Allotment in the Offer or for such other time as may be required under applicable law may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period and compliance with the SEBI Takeover Regulations. However, it should be noted that the Offered Shares which will be transferred by the respective Selling Shareholders in the Offer for Sale shall not be subject to lock-in.

g. Recording on non-transferability of Equity Shares locked-in

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

4. **Shareholding Pattern of our Company**

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

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up equity shares held (IV)	Number of Partly paid-up equity shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V) + (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares		Number of Shares pledged or otherwise		Number of equity shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+ C)			Number (a)	As a % of total Share s held (b)	Number (a)	As a % of total Share s held (b)	
								Class e.g.: Equity Shares	Class e.g.: Other s	Total								
(A)	**Promoter and Promoter Group**	11	23,511,400	–	–	235,11,400	56.78	23,511,400	–	23511400	56.78	–	–	–		–		23,511,400
(B)	**Public**	23	17,895,280	–	–	17,895,280	43.22	17,895,280		17,895,280	43.22			–		–		17,895,280
I	**Non Promoter-Non Public**	–	–	–	–	–	–	–	–	–	–	–	–	–		–		–
(C1)	**Shares underlying depository receipts**	–	–	–	–	–	–	–	–	–	–	–	–	–		–		–
(C2)	**Shares held by employee trusts**	–	–	–	–	–	–	–	–	–	–	–	–	–		–		–
	Total	**34**	**41,406,680**	**–**	**–**	**41,406,680**	**100**	**41,406,680**	–	**41,406,680**	**100**	–	–	**–**		**–**		**41,406,680**

The BRLMs and their respective associates (as defined under the SEBI Merchant Bankers Regulations) do not hold any Equity Shares as on the date of this Prospectus. The BRLMs and their respective affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company and/or our Subsidiaries, for which they may in the future receive customary compensation.

5. **Shareholding of our Directors and Key Managerial Personnel in our Company**

Name	No. of Equity Shares	% of pre-Offer capital	% of post-Offer capital
Director(s)			
Sanjay Shah	17,952,250	43.36	43.36
Shirish Patel	1,304,000	3.15	3.15
Chirag Shah	16,000	0.04	0.04

As on the date of this Prospectus, none of our Key Managerial Personnel (other than Executive Directors) hold any Equity Shares in our Company.

6. **Details of equity shareholding of the major equity Shareholders of our Company**

(a) As on the date of this Prospectus, our Company has 34 shareholders.

(b) Set forth below are details of shareholders holding 1% or more of the pre-Offer paid-up Equity Share capital of our Company as on the date of filing of this Prospectus:

Name of Shareholder	Pre-Offer	
	No. of Equity Shares	% of Equity Share capital
Sanjay Shah	17,952,250	43.36
Maitry Shah	2,760,000	6.67
Sakhi Shah	2,760,000	6.67
Shirish Patel	1,304,000	3.15
Wagner Limited	16,562,680	40.00

(c) Set forth below are details of shareholders holding 1% or more of the pre-Offer paid-up Equity Share capital of our Company as on 10 days prior to the date of filing of this Prospectus:

Name of Shareholder	Pre-Offer	
	No. of Equity Shares	% of Equity Share capital
Sanjay Shah	17,952,250	43.36
Maitry Shah	2,760,000	6.67
Sakhi Shah	2,760,000	6.67
Shirish Patel	1,304,000	3.15
Wagner Limited	16,562,680	40.00

(d) Set forth below are details of shareholders holding 1% or more of the pre-Offer paid-up Equity Share capital of our Company as on the date one year prior to the date of filing of this Prospectus:

Name of Shareholder	Pre-Offer	
	No. of Equity Shares	% of Equity Share capital
Sanjay Shah	448,900	43.43
Maitry Shah	69,000	6.68
Sakhi Shah	69,000	6.68
Shirish Patel	32,600	3.15
Wagner Limited	412,500	39.91

(e) Set forth below are details of shareholders holding 1% or more of the pre-Offer paid-up Equity Share capital of our Company as on the date two years prior to the date of filing of this Prospectus:

Name of Shareholder	Pre-Offer	
	No. of Equity Shares	% of Equity Share capital
Sanjay Shah	448,900	43.43
Maitry Shah	69,000	6.68
Sakhi Shah	69,000	6.68
Shirish Patel	32,600	3.15
Wagner Limited	412,500	39.91

7. There have been no financing arrangements whereby our Promoter, members of our Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company, other than in the normal course of business of the financing entity during a period of six months immediately

preceding the date of filing of the Red Herring Prospectus and this Prospectus.

8. Our Company, Directors, and the BRLMs have not entered any buy-back arrangement for the purchase of Equity Shares of our Company.

9. Except the transfer of 36,350 Equity Shares by Sanjay Shah, our Promoter along with certain members of the Promoter Group, namely, Mr. Rameshchandra Shah, Ms. Niketa Shah, Ms. Sonal Paresh Mehta and Ms. Sunitaben Chentankumar Dhuwad to certain persons, including other members of the Promoter Group, our Promoter, other members of our Promoter Group, our Directors or our Directors' relatives have not purchased or sold any securities of our Company during the six months prior to the date of filing the Red Herring Prospectus and this Prospectus. For more details, please see "*Capital Structure –History of the share capital held by our Promoter*" at page 74.

10. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

11. No person connected with the Offer, including but not limited to, our Company, the members of the Syndicate, our Directors, Promoter or the members of our Promoter Group, shall offer in any manner whatsoever any incentive, whether direct or indirect, in cash, in kind or in services or otherwise to any Bidder for making a Bid.

12. As on the date of this Prospectus, none of the Equity Shares held by our Promoter and other members of our Promoter Group are pledged or otherwise encumbered. Further, none of the Equity Shares offered for sale through the Offer for Sale are pledged or otherwise encumbered, as on the date of this Prospectus.

13. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Prospectus.

14. The Equity Shares issued pursuant to the Offer shall be fully paid-up at the time of Allotment, failing which, no Allotment shall be made.

15. There are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Prospectus.

16. There will be and have been no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of the Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges.

17. Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or further issue of Equity Shares (including issue of securities convertible into or exchangeable for, directly or indirectly into Equity Shares), whether on a preferential basis or issue of bonus or rights or further public issue of Equity Shares. However, if our Company enters acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as consideration for acquisitions or participation in such joint ventures or other arrangements.

18. None of our Promoter and members of our Promoter Group will submit Bids or otherwise participate in the Offer.

19. Our Company has ensured that any transactions in the Equity Shares by our Promoter and our Promoter Group during the period between the date of filing of the Red Herring Prospectus with the Registrar of Companies and the date of closure of the Offer have been reported to the Stock Exchanges within 24 hours of the transactions.

20. Except as mentioned below, our Company has not undertaken any public issue of securities or any rights issue of any kind or class of securities since its incorporation.

    Our Company undertook a rights issue on February 13, 2017 and allotted 16,300 equity shares to Shirish Patel, 16,300 equity shares to Harshida Shirish Patel and 1,000 equity shares to Sakhi Shah. It also undertook a rights issue on July 13, 2018 and allotted 1,567 Compulsorily Convertible Preference Shares to Wagner Limited. For more details, please see "*Capital Structure – History of Equity Share capital*" and "*Capital Structure – History of Preference Share capital*" at pages 70 and 71 respectively.

OBJECTS OF THE OFFER

The objects of the Offer are to (i) to carry out the Offer for Sale; and (ii) achieve the benefits of listing the Equity Shares on the Stock Exchanges. Our Company will not receive any proceeds from the Offer and all such proceeds will go to the Selling Shareholders.

Further, our Company expects that listing of the Equity Shares will enhance our visibility and brand image and provide liquidity to our Shareholders and will also provide a public market for the Equity Shares in India.

Utilisation of the Offer Proceeds by Selling Shareholders

Our Company will not directly receive any proceeds from the Offer (the "**Offer Proceeds**") and all the Offer Proceeds will be received by the Selling Shareholders, in proportion to the Offered Shares sold by the respective Selling Shareholders as part of the Offer. For details of Offered Shares by each Selling Shareholder, see "*The Offer*" beginning on page 56.

Offer expenses

The Offer expenses are estimated to be approximately ₹ 333.68 million. All expenses with respect to the Offer will be borne by the Selling Shareholders in the manner mutually agreed upon amongst them, in accordance with applicable law, while the listing fees shall be borne by our Company. Further, the Selling Shareholders shall bear all expenses in relation to the Offer, in a proportionate manner, including in the event of failure of the Offer. The Offer expenses comprises of, among other things, listing fee, underwriting fee, selling commission and brokerage, fee payable to the BRLMs, legal counsel, Registrar to the Offer, Escrow Collection Bank, processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, fees payable to the Sponsor Bank for Bids made by UPI Bidders using UPI mechanism, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. All such expenses shall be directly deducted from the Public Offer Account and the balance amounts remaining to the credit of the Public Offer Account shall be transferred to the Selling Shareholders. To the extent any expenses attributable to the Selling Shareholders have been paid by our Company, they will be reimbursed to our Company by the Selling Shareholders, jointly and severally, directly from the Public Offer Account

The estimated Offer related expenses are as under:

Activity	Estimated Offer expenses (in ₹ million)	As % of the total estimated Offer expenses	As a % of the total Offer size^
Fees payable to the BRLMs (including brokerage, underwriting fees and selling commission)	172.46	51.68%	3.20%
Commission and processing fee for SCSBs and Bankers to the Offer and brokerage and selling commission for members of the Syndicate, Registered Brokers, RTAs or CDPs	13.27	3.98%	0.25%
Fee payable to Registrar to the Offer	0.44	0.13%	0.01%
Printing and stationery expenses	19.47	5.83%	0.36%
Advertising and marketing expenses	51.81	15.53%	0.96%
Other expenses: • Listing fee • SEBI and stock Exchanges processing fee and book building software fees • Fee payable to legal	76.24	22.85%	1.42%

counsels • Miscellaneous			
Total estimated Offer Expenses	**333.68**	**100.00%**	**6.20%**

^Subject to finalization of Basis of Allotment
** Includes industry data provider, independent chartered accountant, virtual data provider and such other advisors.*

(1) ***Selling commission payable to the SCSBs*** *on the portion for Retail Individual Bidders, Non-Institutional Investors and Eligible Employees which are directly procured and uploaded by the SCSBs, would be as follows:*

Portion for Retail Individual Bidders	*0.35% of the Amount Allotted* (plus applicable taxes)*
Portion for Non- Institutional Bidders	*020% of the Amount Allotted* (plus applicable taxes)*
Portion for Eligible Employees	*0.25% of the Amount Allotted* (plus applicable taxes)*

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

(2) *No additional uploading/processing fees shall be payable by our Company to the SCSBs on the Bid cum Applications Forms directly procured by them. The Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.*

Processing fees payable to the SCSBs *of Rs. 10 per valid application (plus applicable taxes) for processing the Bid cum Application of Retail Individual Bidders, Non- Institutional Bidders and Eligible Employees procured from the Syndicate /Sub-Syndicate Members/Registered Brokers /RTAs /CDPs and submitted to SCSBs for blocking. SCSBs will be entitled to a processing fee of ₹ 10 (plus applicable taxes), per valid ASBA Form.*

(3) *For Syndicate (including their Sub -syndicate members), RTAs and CDPs*

Brokerages, selling commission and processing/uploading charges on the portion for UPI Bidders (using the UPI mechanism), portion for Retail Individual Bidders, Non -Institutional Bidders and Eligible Employees which are procured by members of Syndicate (including their Sub -Syndicate Members), RTAs and CDPs or for using 3 -in1 type accounts - linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub -Syndicate Members) would be as follows:

*Portion for Retail Individual Bidders**	*0.35% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*0,20% of the Amount Allotted (plus applicable taxes)*
Portion for Eligible Employees	*0.25% of the Amount Allotted* (plus applicable taxes)*

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

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

The payment of Selling Commission payable to the sub-brokers / agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.
The Selling Commission payable to the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

Uploading Charges/ Processing Charges of ₹ *20 valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, RTAs and CDPs:*
- *for applications made by UPI Bidders using the UPI Mechanism*

Uploading Charges/ Processing Charges of ₹ *10 valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, RTAs and CDPs:*
- *for applications made by UPI Bidders using 3-in-1 type accounts*
- *for Non-Institutional Bidders using Syndicate ASBA mechanism / using 3- in -1 type accounts,*

The Bidding/uploading charges payable to the Syndicate / Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

For Registered Brokers

Selling commission payable to the registered brokers on the portion for Retail Individual Bidders & Non-Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows:

Portion for Retail Individual & Non-Institutional Bidders	*₹ 10 per valid application * (plus applicable taxes).* ** Based on valid applications.*

For Sponsor Bank

Processing fees for applications made by UPI Bidders using the UPI mechanism will be

Sponsor Bank	₹ 1 /- per valid Bid cum Application Form* (plus applicable taxes).

** For each valid application.*

The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.

The processing fee for applications made by UPI Bidders using the UPI mechanism may be released to the remitter banks (SCSBs) only *after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 read with SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.*

Monitoring of Utilization of Funds

As the Offer is an offer for sale of Equity Shares, our Company will not receive any proceeds from the Offer. Accordingly, no monitoring agency will be appointed for the Offer.

Other Confirmations

Except to the extent of any proceeds that will be received by Shirish Patel pursuant to his participation in the Offer for Sale as a Selling Shareholder, none of our Directors or Key Managerial Personnel will receive any portion of the Offer Proceeds.

BASIS FOR OFFER PRICE

The Offer Price of ₹ 630 has been determined by our Company and the Selling Shareholders in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 5 each and the Offer Price is 119 times the Floor Price and 126 times the Cap Price of the Price Band. Bidders should also see "*Our Business*", "*Risk Factors*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Information*" on pages 143, 27, 265 and 197, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:

- We operate in an underpenetrated Indian asset management industry, that has grown at a CAGR of more than 20%.
- We are a growing financial products distribution platform.
- We have a granular retail AUM with a mix skewed towards high-yield equity AUM.
- Our value proposition has led to increased participation and long-standing relationship with MFDs.
- We have a track record of innovation and use of technology to improve investor and partner experience.
- We have a pan-India diversified distribution network with ability to expand into underpenetrated B-30 markets.
- We have demonstrated a consistent track record of profitable growth due to a highly scalable, asset-light and cash generative business model.
- We have an experienced management team and are backed by a global investor.

For details, see "*Our Business –Strengths*" on page 146.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Consolidated Financial Information. For details, see "*Financial Information*" on page 197.

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

A. Basic and Diluted Earnings Per Share ("EPS") at face value of ₹ 5, as adjusted for change in capital:

Fiscal ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2021	10.96	10.94	3
March 31, 2020	6.74	6.73	2
March 31, 2019	5.08	5.08	1
Weighted Average	**8.57**	**8.56**	
Nine months ended December 31, 2021^	13.94	13.94	-

^ The latest audited restated consolidated financial statement is prepared for the nine months period ended on December 31, 2021 and hence not considered in calculation of annual weighted average.

Notes:

i) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights.

ii) Basic Earnings per Equity Share (Rs.) = Net profit after tax attributable to owners of the Company, as restated / Weighted average no. of Equity Shares post bonus and stock split.

iii) Diluted Earnings per Equity Share (Rs.) = Net Profit after tax attributable to owners of the Company, as restated / Weighted average no. of potential Equity Shares post bonus and stock split.

iv) Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 'Earnings per share'.

v) The figures disclosed above are based on the Restated Ind-AS Financial Statements of our Company.

vi) In the Annual General Meeting held on July 22, 2021, the Company has issued bonus shares to existing shareholders in the ratio of 1:19 as well as split the nominal value of shares from Rs 10/- to Rs 5/-. As per the requirement of Ind AS 33, for the purpose of computing Basic and Diluted EPS, the weighted average number of equity shares outstanding have been adjusted for all the periods presented.

B. Price/Earning ("P/E") ratio in relation to the Price Band of ₹ 595 to ₹ 630 per Equity Share:

Particulars	P/E at the lower end of the Price Band (no. of times)	P/E at the higher end of the Price Band (no. of times)
Based on basic EPS for year ended March 31, 2021	54.29	57.48
Based on diluted EPS for year ended March 31, 2021	54.39	57.59
Based on basic EPS for nine months ended December 31, 2021^	42.68	45.19
Based on diluted EPS for nine months ended December 31, 2021^	42.68	45.19

^ Not annualized

Industry Peer Group P/E ratio

Particulars	Industry P/E
Highest	74.7x
Lowest	18.0x
Average	40.6x

Note: The industry high and low has been considered from the industry peer set provided later in this section. The industry average has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.

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

Fiscal ended	RoNW(%)	Weight
March 31, 2021	28.73	3
March 31, 2020	24.75	2
March 31, 2019	25.30	1
Weighted Average	26.83	
Nine months ended December 31, 2021^	26.83	-

^ The latest audited restated consolidated financial statement is prepared for nine months period ended on December 31, 2021 and hence not considered in calculation of annual weighted average.

Notes:

i) Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

ii) Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Restated net worth at the end of the year/period.

iii) 'Net worth' under Ind-As: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on March 31, 2021, 2020 and 2020 in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulation.

iv) In the Annual General Meeting held on July 22, 2021, the Company has issued bonus shares to existing shareholders in the ratio of 1:19 as well as split the nominal value of shares from Rs 10/- to Rs 5/-. As per the requirement of Ind AS 33, for the purpose of computing Basic and Diluted EPS, the weighted average number of equity shares outstanding have been adjusted for all the periods presented.

As the Offer consists only of an Offer for Sale by the Selling Shareholders, there will be no change in the net worth post completion of the Offer.

D. Net Asset Value ("NAV") per Equity Share

As at	NAV per Equity Share (in ₹)
March 31, 2021	38.13
December 31, 2021*	51.95

** The latest audited restated consolidated financial statement is prepared for nine months period ended on December 31, 2021 and hence not considered in calculation of annual weighted average.*

Notes:

(i) Net Asset Value per Equity Share = Net worth as per the Restated Financial Statements / Number of equity shares outstanding as at the end of year/period.

(ii) 'Net worth' under Ind-As: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on March 31, 2019; 2020 and 2021

in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

(iii) In the Annual General Meeting held on July 22, 2021, the Company has issued bonus shares to existing shareholders in the ratio of 1:19 as well as split the nominal value of shares from ₹ 10/- to ₹ 5/-. As per the requirement of Ind AS 33, for the purpose of computing Basic and Diluted EPS, the weighted average number of equity shares outstanding have been adjusted for all the periods presented.

As the Offer consists only of an Offer for Sale by the Selling Shareholders, there will be no change in the NAV post completion of the Offer.

E. Comparison with Listed Peers

The following peer group has been determined on the basis of companies listed on Indian stock exchanges, whose business profile is comparable to our business:

Name of Company	Face Value (₹ Per Share)	Closing price on April 22, 2022 (₹)	Total Income, for Financial Year 2021 (In ₹ million)	EPS (Rs.)		NAV[4] (₹ Per Share)	P/E[2]	RoNW[3] (%)	Market Capitalisation as on April 22, 2022 (in ₹ million)
				Basic	Diluted[1]				
Prudent Corporate Advisory Services Limited	5	-	2948.96	10.96	10.94	38.13	-	28.73%	-
Listed Peer									
IIFL Wealth Management Ltd	2	1,750.00	16,590.20	42.24	41.76	321.77	41.9x	13.06%	1,55,238.66
ICICI Securities Ltd	5	597.05	25,861.70	33.14	33.08	56.55	18.0x	5.86%	1,92,655.33
Central Depository Services (India) Limited	10	1,431.85	4,006.33	19.17	19.17	88.04	74.7x	21.88%	1,49,628.33
Computer Age Management Services Limited	10	2,620.00	7,352.55	42.08	41.93	105.73	62.5x	39.80%	1,28,127.09
HDFC Asset Management Company Limited	5	2,044.00	22,017.40	62.28	62.16	224.28	32.9x	27.76%	4,35,941.36
Nippon Life India Asset Management Ltd	10	326.60	14,193.40	11.04	10.9	50.29	30.0x	21.91%	2,03,163.37
UTI Asset Management Company Ltd	10	949.00	11,986.30	38.97	38.97	255.31	24.4x	15.27%	1,20,474.64

Notes:
1 *Financials as of FY21*
2 *Shareholding as of March 31, 2021*
3 *Closing price and market capitalization – BSE and NSE*
4 *Net worth includes non-controlling interest (wherever applicable)*

F. The Offer Price is 126 times of the face value of the Equity Shares

The Offer Price of ₹ 630 has been determined by our Company and the Selling Shareholders in consultation with the BRLMs, on the basis of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above mentioned information along with "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Information*" on pages 27, 143, 265 and 197, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "*Risk Factors*" beginning on page 27 and you may lose all or part of your investment.

STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO PRUDENT CORPORATE ADVISORY SERVICES LIMITED ("THE COMPANY") AND THE SHAREHOLDERS OF THE COMPANY UNDER THE DIRECT AND INDIRECT TAX LAWS IN INDIA

To,

The Board of Directors,
Prudent Corporate Advisory Services Limited,
"Prudent House" Panjra Pole Cross Road,
Nr. Polytechnic, Ambawadi, Ahmedabad
Gujarat - 380006

Sub: Statement of possible Special Tax Benefits (the "Statement") available under the Direct and Indirect Tax laws to Prudent Corporate Advisory Services Limited (the "Company") and its Shareholders, prepared in accordance with the requirements under Para 9 (L) of Part A under Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended

We refer to the proposed offering of the shares of the Company. We enclose herewith the statement (the 'Annexure') showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the Indian Direct and Indirect tax laws including the Income-tax Act, 1961 (**"the IT ACT"**), the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the **"GST Act"**), the Customs Act, 1962 (**"Customs Act"**) and the Customs Tariff Act, 1975 (**"Tariff Act"**) (collectively the **"Taxation Laws"**) including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force in India and applicable to the assessment year 2022-23 relevant to the financial year 2021-22 for inclusion in the Red Herring Prospectus ("RHP") and Prospectus (collectively, referred to as "Offer Documents") for the proposed initial public offering of shares of the Company as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (**"ICDR Regulations"**).

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Direct and Indirect Tax Laws. Hence, the ability of the Company or its shareholders to derive these possible special income-tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the near future and accordingly, the Company or its shareholders may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. The Annexure covers only possible special Direct and Indirect Tax benefits available and do not cover any general tax benefits available to the Company or its

shareholders. This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. 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 initial public offering of equity shares (the **"Proposed Offer"**) by the Company, particularly in view of the fact that certain recently enacted legislations may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Neither we are suggesting nor advising the investor to invest money based on this Statement.

The contents of the enclosed Annexure are based on the representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

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

i) the Company or its shareholders will continue to obtain these possible special tax benefits in future; or

ii) the conditions prescribed for availing the possible special tax benefits have been/would be met with; or

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

The contents of the enclosed Statement are based on the information, explanation and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

LIMITATIONS

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the 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. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement.
This statement has been prepared solely in connection with the Proposed Offer by the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm Registration Number: 117365W

Hardik Sutaria
Partner
Membership No. 116642
Ahmedabad
Date: February 15, 2022
UDIN: 22116642ACJGRV5065

Annexure to The Statement of Special Tax Benefits available to Prudent Corporate Advisory Services Limited (the "Company") and its shareholders

The information provided below sets out the possible direct and indirect tax benefits availableto the Company and its shareholders in a summary manner only and is not a complete analysisor listing of all potential tax consequences of the subscription, ownership and disposal of the equity shares of the Company ("**Equity Shares**"), under the current tax laws presently in forcein India.

The statement below covers only relevant special direct and indirect tax law benefits and doesnot cover benefits under any other law.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS OF AN INVESTMENT AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THE SECURITIES, PARTICULARLY IN VIEW OF THE FACT THAT CERTAIN RECENTLY ENACTED LEGISLATION MAY NOT HAVE A DIRECT LEGAL PRECEDENT OR MAY HAVE A DIFFERENT INTERPRETATION ON THE BENEFITS, WHICH AN INVESTOR CAN AVAIL IN THEIR PARTICULAR SITUATION.

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

A. Special Income-tax benefits to the Company

There are no special tax benefits available to the Company under the provisions of the Act including the proposed amendments in Finance Bill 2022.

B. Special Income-tax benefits available to Shareholders

There are no special tax benefits available to the shareholders of the Company under the provisions of the Act including the proposed amendments in Finance Bill 2022.

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

The Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962 and the Customs Tariff Act, 1975 (collectivelyreferred to as "Indirect tax").

A. Special Indirect Tax benefits to the Company

There are no special tax benefits available to the Company including the proposed amendmentsin Finance Bill 2022.

B. Special Indirect Tax benefits available to Shareholders

There are no special tax benefits available to the shareholders of the Company.

Note: We have not considered general tax benefits available to the Company or shareholdersof the Company.

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO MATERIAL SUBSIDIARY OF PRUDENT CORPORATE ADVISORY SERVICES ("COMPANY") UNDER THE APPLICABLE LAWS

To,

The Board of Directors
Prudent Corporate Advisory Services Limited
"Prudent House", Panjrapole Cross Road
Near Polytechnic, Ambawadi
Ahmedabad – 380 015

The Board of Directors
Gennext Insurance Brokers Private Limited
306, Sears Tower, Off C.G. Road,
Gulbai Tekra, Ellisbridge,
Ahmedabad 380 006

Sub: Statement of Special Tax Benefits available to Gennext Insurance Brokers Private Limited under the applicable tax laws.

1. We hereby confirm that Annexure prepared by Gennext Insurance Brokers Private Limited ("Material Subsidiary") with respect to provision of special tax benefit available to Material Subsidiary under the Income-tax Act, 1961 (read with Income-tax Rules, circulars, notifications) as amended, by the Finance Act 2021, i.e. applicable for the Financial Year 2021-22 relevant to the assessment year 2022-23, (hereinafter referred to as the "Income-tax Regulations"), the Central Goods and Services Tax Act, 2017 (read with Central Goods and Services Tax Rules, circulars, notifications), respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications), Integrated Goods and Services Tax Act, 2017 (read with Integrated Goods and Services Tax Rules, circulars, notifications), Customs Act, 1962 (read with Custom Tariff Rules, circulars, notifications), (together referred to as "Indirect Tax Regulations", Income-tax Regulations and Indirect Tax Regulations together referred to as "Tax Regulations") is enclosed.

2. The statement can be included in the (i) draft red herring prospectus proposed to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), BSE Limited and National Stock Exchange of India Limited (collectively, the "Stock Exchanges"); (ii) red herring prospectus proposed to be filed with SEBI, the Stock Exchanges and the Registrar of Companies, Gujarat at Ahmedabad ("Registrar of Companies"); and (iii) prospectus proposed to be filed with SEBI, the Stock Exchanges and the Registrar of Companies for the proposed initial public offer through an offer for sale by certain selling shareholders of the Company, as required under the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("Proposed IPO").

3. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the 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 IPO.

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

   i) the material subsidiary will continue to obtain such benefits, if available in future;
   ii) the conditions prescribed for availing the benefits, if available, have been / would be met with; and
   iii) the revenue authorities/courts will concur with the views expressed herein.

5. This Statement is issued solely in connection with the proposed IPO of the Company and is not to be used, referred to or distributed for any other purpose.

Yours Faithfully

For **M/s Pramodkumar Dad & Associates**
Chartered Accountants
ICAI Firm Registration Number: 115869W

CA Abhishek Dad
Partner
Membership No. 131918
Ahmedabad
Date: August 12, 2021
UDIN: 21131918AAAACJ7154

Annexure to The Statement of Special Tax Benefits available to Material Subsidiary of Prudent Corporate Advisory Services ("Company")

The information provided below sets out the possible direct and indirect tax benefits available to the Material Subsidiary in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of the equity shares of the Company ("**Equity Shares**"), under the current tax laws presently in force in India.

The statement below covers only relevant special direct and indirect tax law benefits and does not cover benefits under any other law.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS OF AN INVESTMENT AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THE SECURITIES, PARTICULARLY IN VIEW OF THE FACT THAT CERTAIN RECENTLY ENACTED LEGISLATION MAY NOT HAVE A DIRECT LEGAL PRECEDENT OR MAY HAVE A DIFFERENT INTERPRETATION ON THE BENEFITS, WHICH AN INVESTOR CAN AVAIL IN THEIR PARTICULAR SITUATION.

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE MATERIAL SUBSIDIARY

B. Special Income-tax benefits to the Material Subsidiary

There are no special tax benefits available to the Material Subsidiary under the provisions of the Act.

STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE MATERIAL SUBSIDIARY

3. The Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively referred to as "Indirect tax") Special Indirect Tax benefits to the Material Subsidiary

There are no special tax benefits available to the Material Subsidiary.

Note: We have not considered general tax benefits available to the Material Subsidiary.

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, the information in this section is obtained or extracted from industry research report on "Assessment of financial products distribution industry in India" ("**CRISIL Report**") exclusively prepared and released by CRISIL Limited ("**CRISIL**") dated December, 2021 and commissioned by and paid for by the Company for the Offer, pursuant to an engagement letter dated May 6, 2021. The CRISIL Report was available for inspection at the Registered Office of the Company between 10 a.m. and 5 p.m. on all Working Days from date of the Red Herring Prospectus until the Bid/ Offer Closing Date and was also available for online access at https://prudentcorporate.com/investorrelation.*

The data may have been re-classified by us for the purposes of presentation. Industry sources and publications are prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. Financial information used herein is based solely on the audited financials of the Company and other peers. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. For the disclaimers associated with the CRISIL Report, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 15.

Macro-economic trends

Fiscal 2020 was volatile for the global economy. The first three quarters were ensnared in trade protectionist policies and disputes among major trading partners, volatile commodity and energy prices, and economic uncertainties arising from Brexit. Hopes of broad-based recovery in the fourth quarter were dashed by the Covid-19 pandemic, which has infected more than 227 million people in 224 countries (as of September 17, 2021), leading to considerable human suffering and economic disruption.

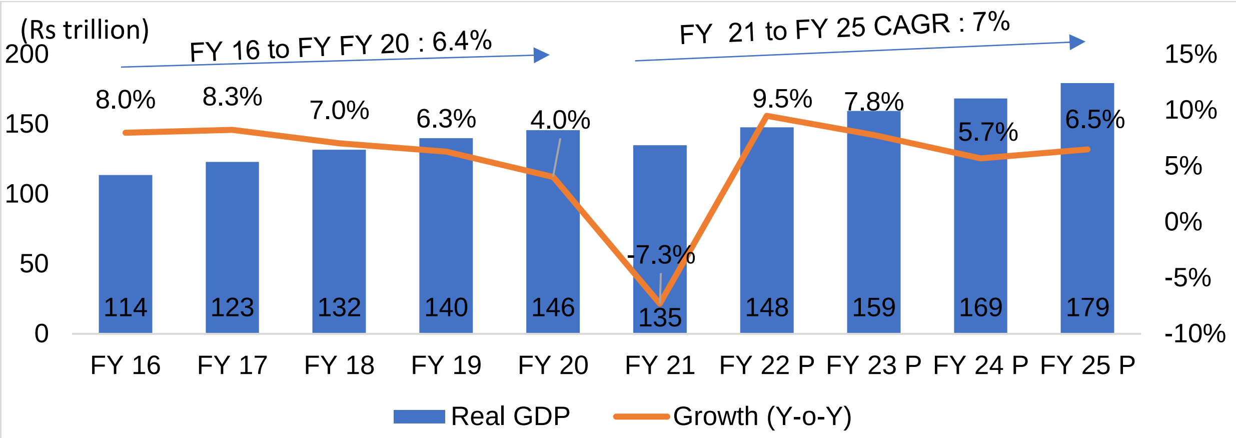
The COVID-19 pandemic sharply slowed the Indian economy in the first quarter of Fiscal 2021, but the huge economic costs that it extracted, forced the economy to open up and get back on its feet in the second quarter of Fiscal 2021. What also helped was a sharp cutback in operating costs for corporates due to job and salary cuts, employees exercising work from home options, low input costs due to benign interest rates, crude and commodity prices.

The pandemic came at the most inopportune time since India was showing signs of recovery following a slew of fiscal/monetary measures as nominal GDP grew by 8.8% on year in Q4 of fiscal 2021 as compared to 4.7% in Q4 of fiscal 2020. Having said that, CRISIL Research foresees growth rebounding in Fiscal 2022, on the back of a very weak base, a counter-cyclical Union Budget for Fiscal 2022 pushing investments and some benefit from a rising-global-tide-lifting-all-boats effect. The gradual increase in vaccinations against COVID-19 is also expected to boost confidence and support stronger recovery. Even after the strong rebound, fiscal 2022 real GDP is expected to be only slightly higher than that in fiscal 2020.

The budget's focus on pushing capital expenditure (capex) despite walking a fiscal tightrope however provides optimism and creates a platform for higher growth. Given that the focus of the budget was on investment rather than consumption push, the full impact of the expenditure will be seen in the near term via multiplier effects, and over time, through enhancement of productive capacity. To that extent, CRISIL Research believes that the budgetary provisions help raise the medium-term prospects for the economy.

This budget not only focussed on pushing central capex but also attempted to nudge state government capex. A Reserve Bank of India (RBI) study points out that an increase in capex by the central and state governments by one rupee each induces an increase in output by Rs 3.25 and Rs 2.0, respectively *(Source: RBI Bulletin – April 2019).*

Budgetary support and vaccines expected to boost economic growth



Note:–P - Projected

*Source: National Statistics Office (“**NSO**”), International Monetary Fund (“**IMF**”) and CRISIL Research estimates*

The possibility of a third Covid wave post the festive season does pose a downside risk to economic growth in fiscal 2022. In the aftermath of the second wave witnessed in the first quarter of the fiscal, many states had implemented localised restrictions in the form of weekend lockdowns, restricting non-essential businesses from operating and/or night curfews to prevent the spread of the infection. Although the Covid cases during 2nd wave have declined to below 40,000 in mid-July 2021 from over 4 lakh cases in 5th May 2021, there is still the looming fear of a third wave.

CRISIL Research forecasts India’s GDP for fiscal 2022 to grow by around 9.5% in our base case scenario, assuming that 70% of the adult population will be vaccinated by December 2021 and a third Covid wave does not strike us. Covid-19 vaccinations have also started gaining pace in India. While close to 64% of India’s adult population has received the first dose of the Covid-19 vaccine (as of September 19, 2021), 21% of India’s adult population has taken the second dose.

In fiscal 2023, CRISIL Research expects growth to remain strong at 7.8% and become more broad-based, as a sufficient proportion of population gets vaccinated by then. This will particularly strengthen growth for contact-based services, which have been the biggest victims. Beyond that, growth is expected to moderate.

After clawing back in fiscal 2022, CRISIL Research forecasts India’s GDP to grow at 6.0-7.0% per annum between fiscals 2023 and 2025. This growth will be supported by the following factors:

- Focus on investments rather than consumption push enhancing the productive capacity of the economy.
- The production linked incentive (“**PLI**”) scheme which aims to incentivise local manufacturing by giving volume-linked incentives to manufacturers in specified sectors
- Raft of reform measures by the government along with a more expansionary stance of monetary policy leading to a steady pick-up in consumption demand
- Policies aimed towards greater formalisation of the economy are bound to lead to an acceleration in per capita income growth

India’s GDP to recover sharply

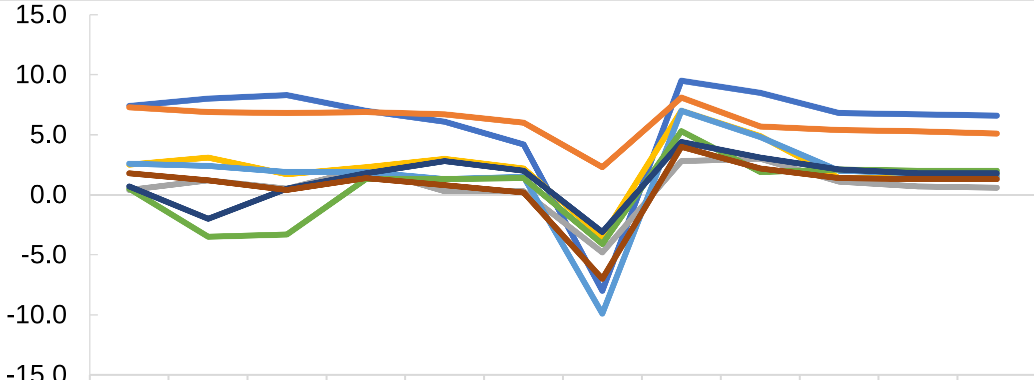
India was one of the fastest growing economies in the world pre-COVID, with annual growth of around 6.7% in between calendar year 2014 to 2019. Over the few years prior to the onset of the pandemic, India’s macroeconomic situation had gradually improved with the twin deficits (current account and Fiscal) narrowing and the growth-inflation mix improving and durably so. The Government adopted an inflation-targeting framework that provides an institutional mechanism for inflation control, while modernising central banking.

While economic growth in calendar year 2020 has been dented due to COVID-19, CRISIL expects the economy to rebound and India to regain its tag of one of the fastest growing economies globally in the medium-term.

Going forward, Going forward, rapid urbanisation, rising consumer aspiration and increasing digitisation coupled with government support in the form of reforms and policies is expected to support growth. For example, the government has recently announced production-linked incentives across identified sectors with an aim to propel the growth of India as a manufacturing destination. At a macro level, digitalization has led to various benefits like linkage to Aadhaar identity cards, direct benefit transfer and various other government benefits.

The IMF forecasts India's GDP to grow by 9.5% in calendar year 2021 due to the lower base of calendar year 2020 and approved vaccines and policy measures. At this pace of growth, India is forecasted to be the fastest growing economies in the world in 2021. Going forward as well, IMF forecasts India's GDP to grow at a faster pace than other economies.

India is one of the fastest-growing major economies (GDP growth, % year-on-year)



	2014	2015	2016	2017	2018	2019	2020	2021	2022 P	2023 P	2024 P	2025 P
India	7.4	8.0	8.3	7.0	6.1	4.2	-8.0	9.5	8.5	6.8	6.7	6.6
China	7.3	6.9	6.8	6.9	6.7	6.0	2.3	8.1	5.7	5.4	5.3	5.1
Japan	0.4	1.2	0.5	2.2	0.3	0.3	-4.8	2.8	3.0	1.1	0.7	0.6
United states	2.5	3.1	1.7	2.3	3.0	2.2	-3.5	7.0	4.9	1.4	1.5	1.6
United kingdom	2.6	2.4	1.9	1.9	1.3	1.5	-9.9	7.0	4.8	2.0	1.8	1.5
Brazil	0.5	-3.5	-3.3	1.3	1.3	1.4	-4.1	5.3	1.9	2.1	2.0	2.0
Russia	0.7	-2.0	0.5	1.8	2.8	2.0	-3.1	4.4	3.1	2.1	1.8	1.8
South Africa	1.8	1.2	0.4	1.4	0.8	0.2	-7.0	4.0	2.2	1.4	1.3	1.3

Note: GDP growth is based on constant prices, Data represented is for calendar years, P: Projected
Source: IMF (World Economic Outlook – July 2021 and April 2021 update), CRISIL Research

Key growth drivers

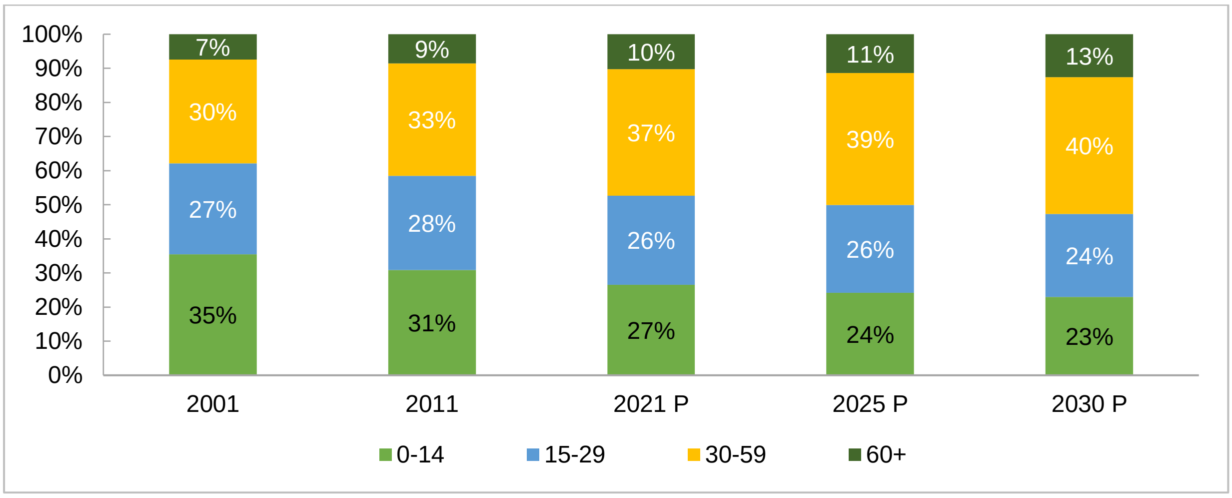
India has world's second largest population

As per Census 2011, India's population was ~1.2 billion, and comprised nearly 245 million households. The population, which grew nearly 18% between 2001 and 2011, is expected to increase about 11% between 2011 and 2021, to 1.4 billion. The population is expected to reach 1.5 billion by 2031 and number of households are expected to reach ~376 million over the same period.

Favourable demographics

As of 2020, India has one of the largest young populations in the world, with a median age of 28 years. About 90% of Indians will still be below the age of 60 by calendar 2021 CRISIL Research forecasts that 63% of them will be between 15 and 59 years.

India's demographic dividend

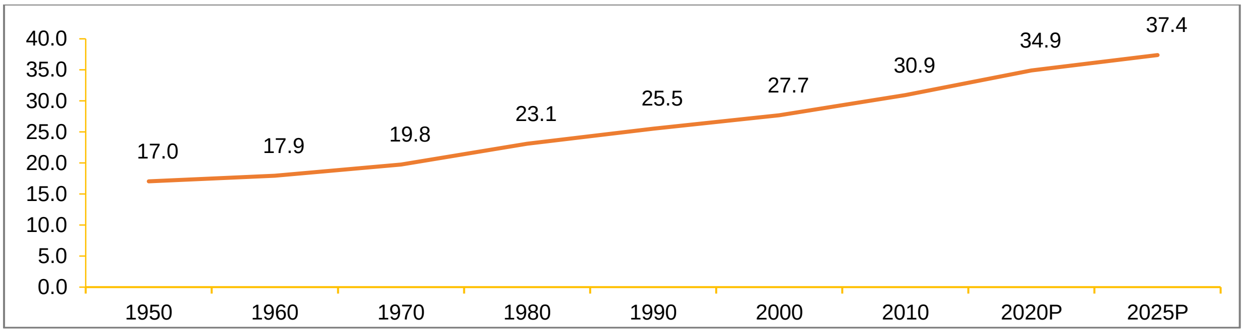


Note: E: Estimated
Source: United Nations Department of Economic and Social affairs, CRISIL Research

Urbanisation

Urbanisation is one of India's most important economic growth drivers as it will drive substantial investments in infrastructure development, which, in turn, is expected to lead to job creation, development of modern consumer services and increased ability to mobilise savings. The country's urban population has been rising consistently over the decades. In 1950, it was 17% of total population. As per the 2018 revision of World Urbanization prospects, it was estimated at 34% for India. This is expected to reach 37% by 2025.

Urban population as a percentage of total population (%)



Note: E: Estimated
Source: Census 2011, World Urbanization Prospects: The 2018 Revision (UN)

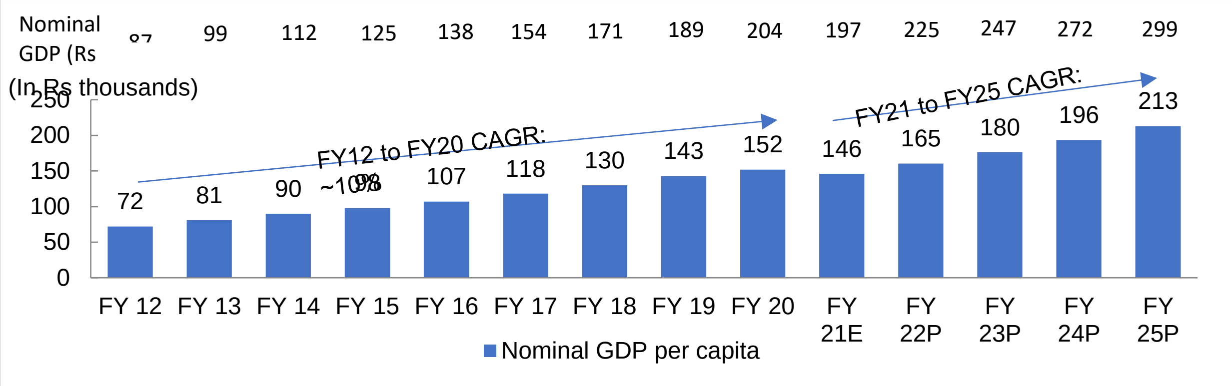
Increasing per capita GDP

Per capita income is estimated to have contracted by 8% in Fiscal 2021 compared to a growth of 2.9% in the preceding Fiscal. CRISIL forecasts that the per capita income will gradually improve with a pick-up in GDP growth and sustained low inflation. This will be an enabler for domestic consumption. As per IMF estimates, India's per capita income (at constant prices) is expected to grow at 6.2% compound annual growth rate (CAGR) from Fiscals 2021-25.

Per capita income	Level in FY21 (INR thousands)		Growth at constant prices (%)									
	Current prices	Constant prices	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21 E	FY25P
	146	100	3.3	4.6	6.2	6.7	6.8	5.7	5.8	2.9	-8.0	6.2*

Note – E: Estimated, (–) - 4-year CAGR growth (FY21-FY25), As per IMF estimates of April 2021
Source – Ministry of Statistics and Program Implementation ("**MOSPI**"), International Monetary Fund (IMF), CRISIL Research

Trend in nominal GDP per capita



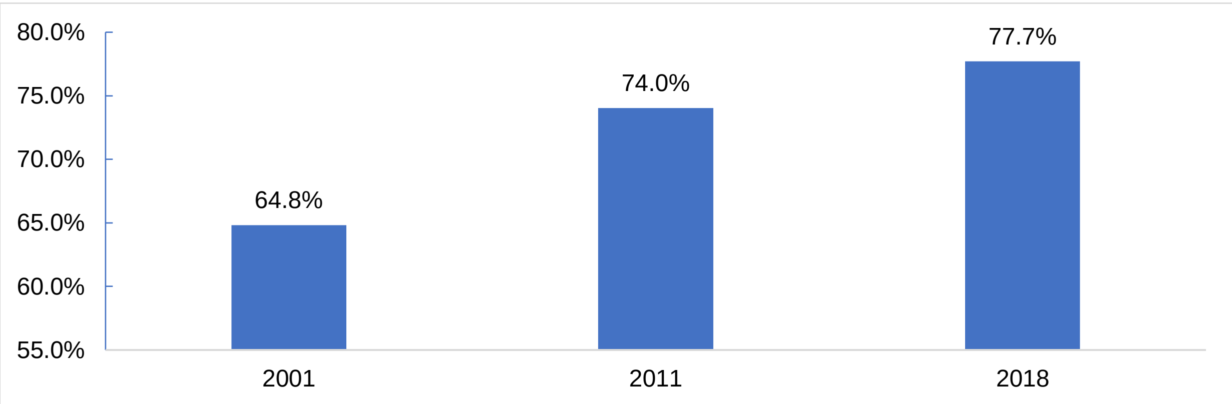
Note: E: Expected, P: Projected

Source: MOSPI, World Bank, CRISIL Research

Financial penetration to rise with increase in awareness of financial products

Overall literacy in India is at 77.7% as per the results of recent NSSO survey conducted in 2018 which is still below the world literacy rate of 86.5%. However, according to the National Financial Literacy and Inclusion Survey ("**NCFE-FLIS**") 2019, only 27% of Indian population is financially literate indicating huge gap and potential for financial services industry. The survey defines financial literacy as combination of awareness, knowledge, skill, attitude and behaviour necessary to make sound financial decisions and ultimately achieve individual financial wellbeing.

Overall literacy rate on a rise in India



Source: Census 2011, NSO Survey on household social consumption (2017-18), CRISIL Research

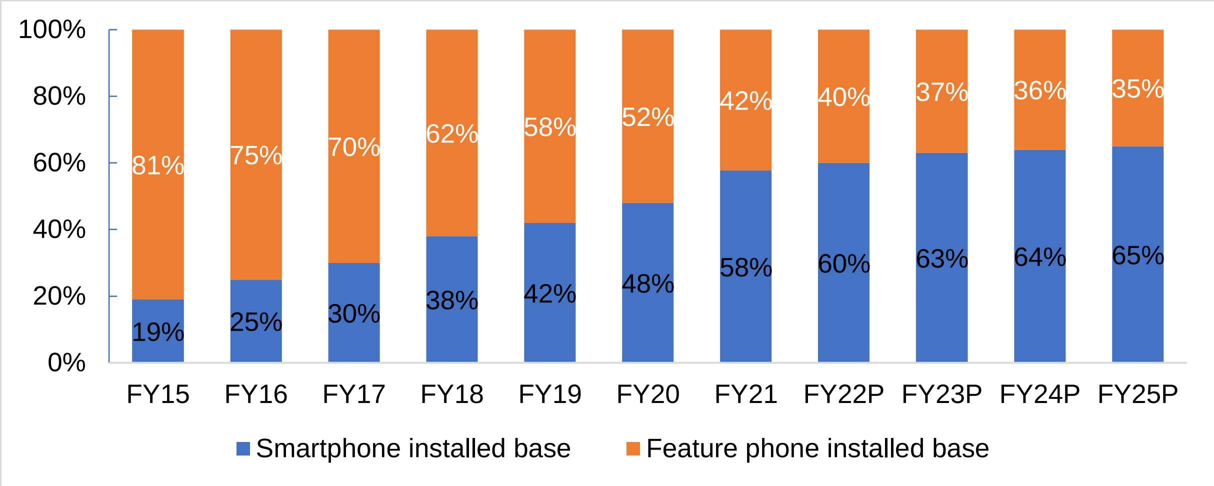
Digitisation aided by technology to play pivotal role in growth of economy

Technology is expected to play an important role by progressively reducing the cost of reaching out to smaller markets. India has seen a tremendous rise in fintech adoption in the past few years and has the highest fintech adoption rate globally of 87% which is significantly higher than the global average rate of 64% (*Source: InvestIndia*). Among many initiatives by the government, the Unified Payments Interface ("**UPI**") is playing a pivotal role towards financial inclusion. It provides a single-click digital interface across all system for smartphones linked to bank accounts and facilitates easy transactions using a simple authentication method. The volume of digital transactions has also seen a surge in the past few years, driven by increased adoption of UPI. Apart from financial services industry, digitisation in other industries like retail will also play an important role in growth of economy.

Mobile penetration

Higher mobile penetration, improved connectivity and faster and cheaper data speed, supported by Aadhaar and bank account penetration have led India to shift from being a cash-dominated economy to a digital one.

Data-savvy and younger users to drive adoption of smartphones



Note: P: Projected
Source: CRISIL Research

Rural economy

At a time when the Indian economy is reeling under the impact of the pandemic, the rural economy has become a beacon of hope.

The rural economy is far more resilient today due to two consecutive years of good monsoon, increased spends under the Mahatma Gandhi National Rural Employment Guarantee Act ("**MNREGA**") and irrigation projects, DBT, the PM-Kisan, the PM Ujwala Yojana for cooking gas, the PM Awas Yojana for housing, and the Ayushman Bharat scheme for healthcare. To supplement these, the government is also focusing on rural infrastructure, such as electricity and roads. These steps have led to lesser leakages and higher incomes in the hands of the rural populace, thereby enhancing their ability and willingness to spend on discretionary products and services.

The structural changes, combined with a positive macro environment, will improve rural business prospects, provide business opportunities for the banking and financial services sector and drive the long-term growth of the economy.

The rural economy accounts for almost half of India's GDP and has performed much better than urban India in the aftermath of Covid-19. There are three reasons for this:

One, farming continued largely unhindered, as the sector benefitted from normal monsoons and reduced spread of Covid-19 given the lower population density in the rural areas. Two, the government extended an additional ₹ 500 billion allocation for the MNREGA and also disbursed ₹ 570 billion through the PM-Kisan scheme. Three, the structure of the non-agriculture rural economy helped it bear the pandemic-induced shock better. Rural economy accounts for 51% of India's manufacturing GDP, but its share in services GDP (excluding public administration, defence and utilities) is much lower at around 26%. With Covid-19 impacting services, especially contact-based services, more than manufacturing, rural India's relatively higher dependence on both, manufacturing and agriculture has helped it partly buttress the pandemic impact.

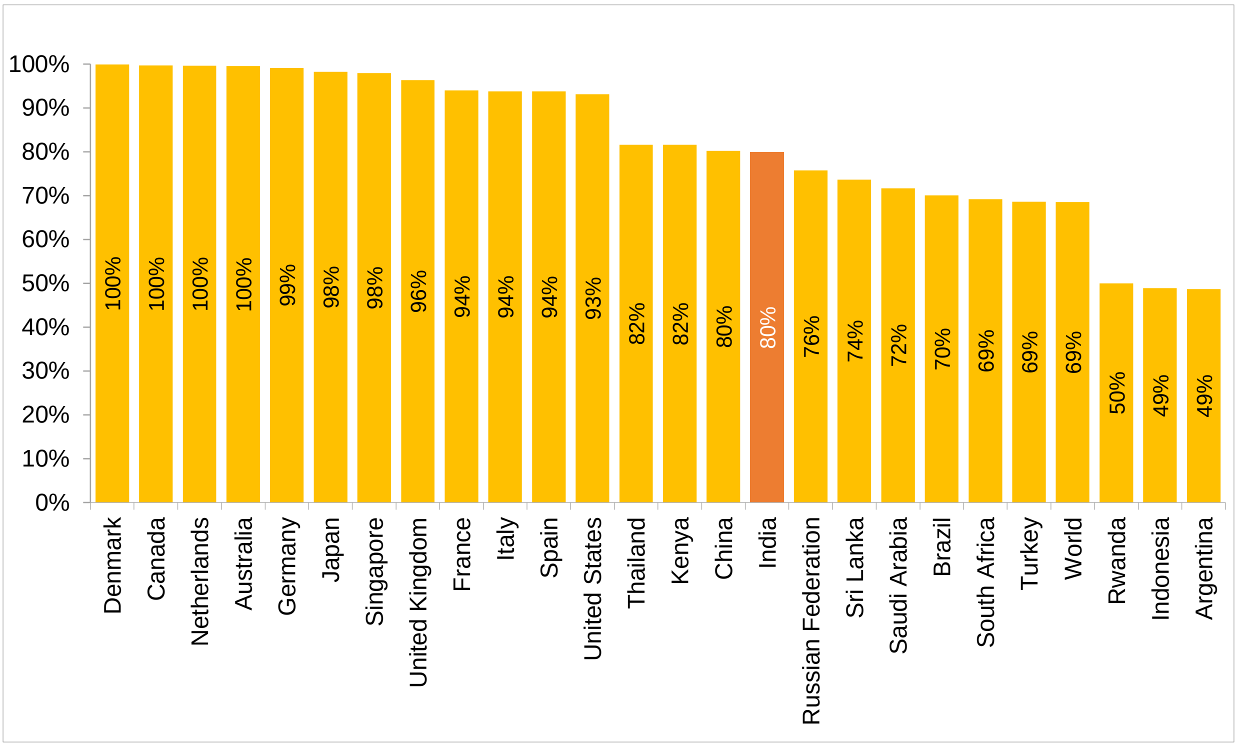
Within the rural economy, agriculture itself is set to grow ~2.5% on-year in fiscal 2021, close to its trend rate.

Key structural reforms: Long-term positives for Indian economy

Financial inclusion

According to the World Bank's Global Findex Database 2017, the global average of adult population with an account (with a bank, financial institution, or mobile money providers) was ~69% in 2017. India's financial inclusion has improved significantly between 2014 and 2017, with the adult population with bank accounts rising from 53% (as per Global Findex Database 2014) to 80% in 2017 with concentrated efforts by the government to promote financial inclusion and the proliferation of supporting institutions. That said the rise in the number of bank accounts has not translated into a corresponding increase in the number of transactions and fruitful usage of those accounts. As per the World Bank's Global Findex Database 2017, 40% of the accounts did not make any deposit or withdrawal in the past year (2016), which indicates that although the account penetration has improved, usage of accounts is yet to improve.

Adult population with a bank account (%): India vis-à-vis other countries



Note: 1. Global Findex data for India excludes northeast states, remote islands and selected districts. 2. Account penetration is for the population within the age group of 15+
Source: World Bank - The Global Findex Database 2017, CRISIL Research

As per the Global Findex Database 2017, ~50% of the world's unbanked adults are in India, Bangladesh, China, Indonesia, Mexico, Nigeria and Pakistan. Of the world's total unbanked adults (~1.7 billion), 415 million are from just two countries – India (11% or 190 million) and China (13% or 225 million) – because of their huge population.

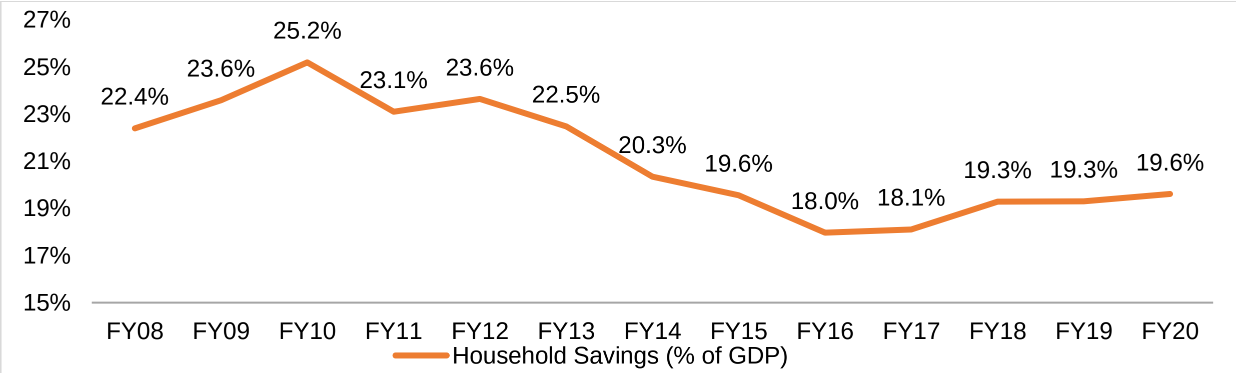
Household savings

India's slowing economy took a toll on much-needed savings too, with the savings rate touching a 15-year low, and household savings also falling. This has weakened India's macroeconomic position, which is already hobbled by low investment and rising external borrowing to fund capital needs. Household savings also declined as consumers spent more in purchasing durables and travelling. Indian households contribute to ~60% of the country's savings. But India remains favourable compared with emerging market peers such as Brazil.

According to the World Bank, the savings rate, or the proportion of gross domestic savings ("**GDS**") in GDP in the Indian economy has trended down in the past decade. India's GDS peaked at 36.8% of GDP in fiscal 2008 and dipped to 32% in fiscal 2009. That was largely on account of a sharp slowdown in public savings, with the government resorting to fiscal stimulus to address the external shock from the global financial crisis.

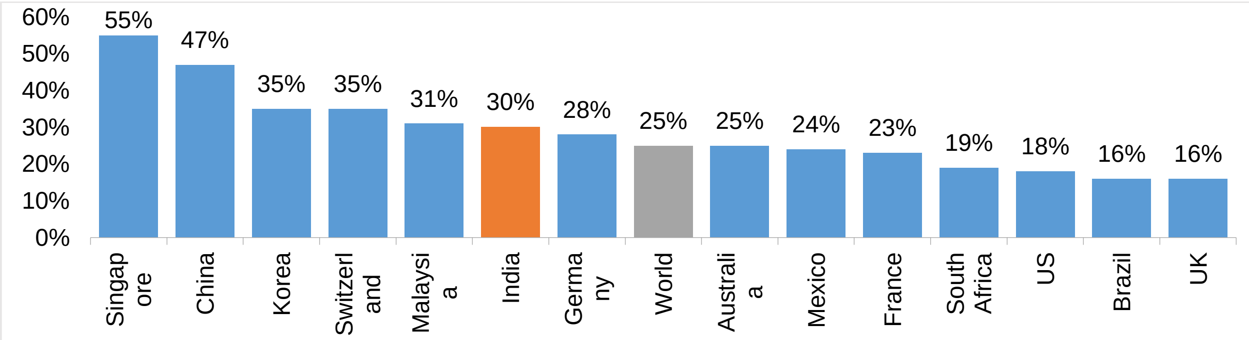
CRISIL Research expects India to continue being a high savings economy at least over the next decade. However, household savings as a percentage of GDP has been sliding since fiscal 2012, with its share falling significantly from 23.6% in fiscal 2012 to 18% in fiscal 2016. The household savings as a percentage of GDP rose to 19.6% in fiscal 2020. CRISIL expects household savings to increase further on account of an expected decline in discretionary spending during the pandemic. However, the absolute amount of savings may not increase at the same pace since GDP growth is expected to be negative in fiscal 2021.

Savings rate has increased marginally in fiscal 2020



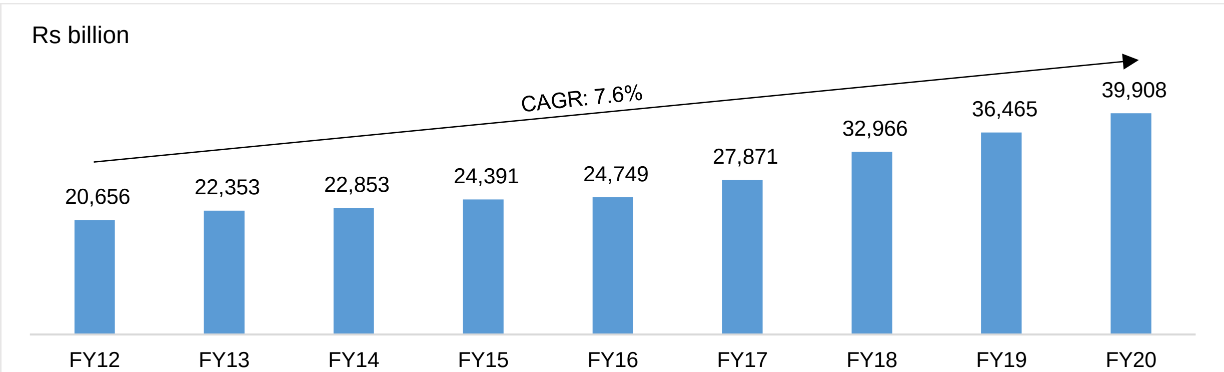
Source: MOSPI, RBI, CRISIL Research

GDS rate: India vs other countries (2019)



Source: World Bank, Handbook of Statistics on Indian Economy 2018-19, RBI, MOSPI, CRISIL Research

Household savings growth

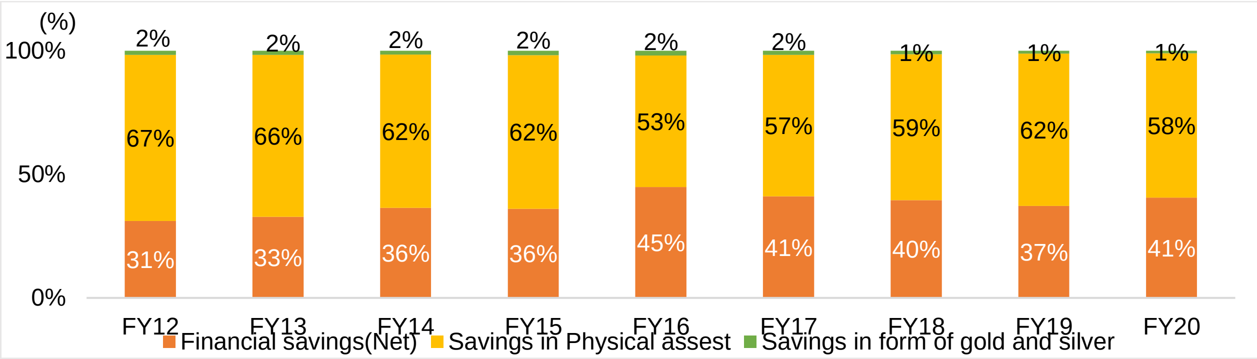


Note: The data is for financial year ending March
Source: MOSPI, CRISIL Research

Capital markets to remain attractive part of financial savings

While households savings in physical assets declined to 58% in fiscal 2020 from 67% in fiscal 2012, financial savings grew to 41% in Fiscal 2020 from 31% in Fiscal 2012.

Along with an increase in financial literacy, the relative outperformance of financial assets over recent years, and the government's efforts to fight the shadow economy, CRISIL expects the share of financial assets as a proportion of net household savings to increase over the next five years. The rise in financial assets will further boost the investment under mutual funds.



Note: The data is for financial year ending March

Source: Handbook of Statistics on Indian Economy 2018-19, RBI, MOSPI, CRISIL Research

The share of mutual funds in overall household savings has risen steadily since Fiscal 2013, and stood at 2.7% in Fiscal 2019.However, the share declined in Fiscal 2020.With the financial sector being particularly sensitive to improved economic conditions, and given the expected changes in saving patterns, CRISIL expects an increase in the share of financial assets – direct and through mutual funds and insurance – in total financial savings.

Share of savings in shares, mutual funds and deposits increased post demonetisation

(₹ billion)	March 2013	March 2014	March 2015	March 2016	March 2017	March 2018	March 2019	March 2020
Gross financial household savings	10,640	11,908	12,572	14,962	16,147	20,564	21,341	22,846
Currency	1,115	995	1,333	2,005	-3,329	4,847	2,779	2,826
Deposits	6,062	6,670	6,124	6,445	9,778	5,252	8,143	8,697
With Banks	5,339	5,986	5,390	5,666	8,707	5,057	7,287	7,688
Shares and debentures	170	189	204	284	1,745	1,774	790	774
Mutual funds	82	150	145	189	1,510	1,382	576	444
As % of overall gross financial household savings	*0.8%*	*1.3%*	*1.2%*	*1.3%*	*9.3%*	*6.7%*	*2.7%*	*1.9%*
Insurance funds	1,799	2,045	2,993	2,642	3,543	3,440	3,588	3,178
Provident and pension funds	1,565	1,778	1,909	2,907	3,255	3,694	3,977	4,655
Others	-71	231	10	679	1,155	1,557	2,064	2,715

Note: Others include claims on government and provident and pension funds; the data is for financial year ending March

Source: National Account Statistics 2020, MOSPI, RBI, CRISIL Research

Overall, the financial market in India is expected to continue growing at a healthy pace owing to strong demand- and supply-side drivers, such as expected growth of the Indian economy, increasing urbanisation, rising consumerism because of higher per capita incomes, and favourable changes, thereby indicating market growth potential for established financial service providers in India.

As per the MoSPI, households' net financial savings has improved to 7.8% of gross national disposable income ("**GNDI**") in fiscal 2020, after touching the fiscal 2012 series low of 7.1% in fiscal 2019. This improvement has occurred on account of sharper moderation in household financial liabilities than that in financial assets.

Retail financial products AUM and distributor's share

Financial product distributors play a critical role in the market ecosystem in India. CRISIL Research estimates the Indian retail financial products distribution industry grew at a CAGR of ~10% over March 2016 to March 2021 and touched ₹ 161 trillion as of March 2021. Retail mutual funds category posted the highest CAGR (22% over March 2016 to March 2021) amongst other retail financial products category and touched ~ ₹ 17 trillion as of March 2021. CRISIL Research estimates, the share of distributors in Life and retail health insurance is in the range of 90-93% and ~83% in retail mutual funds category as of March 2021.

In the case of mutual funds, the expense ratio for retail investors is in the range of 1.5-2.0% per annum and the commission paid to the distributors is ~0.5-1.0% per annum. Since the commission is paid on trail basis (except in the case of SIPs where upfront commission of upto 1% is allowed), distributors continue to get commission as long as investor continues to remain invested in the fund. For life insurance, the commission paid on individual products (except pure risk products) is 2.0% and it is 7.5% in individual pure risk product for single premium products. In case of regular premium, the commission paid is 50% (40% in first year and 10% in renewal premiums).

Retail financial products / In Rs. Trillion	***Mar-16 E***	***Mar-21 E***	***Estimated share of distributors (Mar-21)***
Total retail financial product distribution industry size	98.5	161.1 *(10.4%)*	All transactions routed through SEBI-Registered Intermediaries
Deposits	56.3	86.4 *(8.9%)*	
Retail Equity	10.5	15.1 *(7.6%)*	
Mutual funds	6.2	16.6 *(21.9%)*	83%
Life Insurance AUM *	25.3	42.5 *(10.9%)*	91-93%^
Retail health insurance	0.2	0.6 *(20.2%)*	90-92%^

Note: (*) – Including individual and group; (^) Estimated basis new business premium for individual through distributor channel; Numbers in small parenthesis represents AUM CAGR of respective product over March 2016 to March 2021

Source: Life Insurance Council, General Insurance Council, AMFI, RBI, CRISIL Research estimates

Mutual Fund Industry

The Indian mutual fund industry has a history of over 50 years, starting with the passing of an Act for the formation of the Unit Trust of India ("**UTI**"), a joint initiative of the Government of India and the RBI in 1963. The Act came into force on February 1, 1964, with the formation of UTI. It was regulated and controlled by the RBI until 1978, and thereafter by the Industrial Development Bank of India. UTI launched its first scheme, Unit Scheme 1964, in 1964 and its AUM reached ₹ 67 billion by 1988.

In 1987, other public sector banks entered the mutual fund space. SBI Mutual Fund was set up in June 1987, followed by the launch of Canbank Mutual Fund in December 1987. Subsequently, other entities such as Life Insurance Corporation of India, Punjab National Bank, Indian Bank, Bank of India, General Insurance Corporation of India, and Bank of Baroda opened their own mutual fund houses, taking the industry assets to ₹ 470 billion by 1993-end.

Seeing the rise in demand for mutual funds, and with the onset of onset of economic liberalisation in the country, the industry was opened to the private sector in 1993. The year also saw the introduction of the first formal mutual fund regulations, Securities and Exchange Board of India (Mutual Fund) Regulations, 1993. All mutual funds, except UTI, were under the ambit of these regulations, which were later replaced by SEBI (Mutual Fund) Regulations, 1996. Similarly, SEBI introduced SEBI (Portfolio Managers) Regulations, 1993, for the regulation of portfolio management services and SEBI (Alternative Investment Funds) Regulations, 2012 for the regulation of alternative investment funds. The Association of Mutual Funds in India, a member association of the mutual fund industry, was incorporated in August 1995. It recommends and promotes best practices and the code of conduct to its members.

Kothari Pioneer Mutual Fund (now merged with Franklin Templeton Mutual Fund), started in July 1993, was the first private sector mutual fund in the country. This triggered the entry of various mutual fund houses, both domestic and foreign, taking the number of providers at the end of January 2003 to 33 and the total AUM to ₹ 1,218 billion.

Development of regulatory landscape (2003-present)

In February 2003, following the repeal of the UTI Act, 1963, UTI was bifurcated into two separate entities. One is the Specified Undertaking of the UTI with an AUM of ₹ 298 billion as of January 2003. The Specified Undertaking of UTI, functioning under an administrator and under rules framed by the central government, is not subject to SEBI (Mutual Fund) Regulations, 1996. The other is UTI Mutual Fund. Sponsored by State Bank of India ("**SBI**"), Punjab National Bank, Bank of Baroda, and Life Insurance Corporation of India, UTI Mutual Fund is registered with SEBI and functions under SEBI (Mutual Fund) Regulations, 1996. With this bifurcation, and several mergers among other private sector funds, the mutual fund industry entered its current phase of consolidation and growth.

Classification of mutual funds

By structure

Open-ended schemes can be purchased and redeemed on any transaction day. They do not have a fixed maturity period, i.e., schemes are available for subscription and repurchase on a continuous basis. The number of units of an open-ended scheme can fluctuate, i.e., increase or decrease every time the fund house sells or repurchases the existing units. A mutual fund may stop accepting new subscriptions for open-ended schemes from investors, but is required to repurchase investor units at any time.

Closed-end schemes can be purchased only during the new fund offer period and redeemed only at maturity. However, the funds are listed on stock exchanges (as mandated by regulation), where investors can sell their units to other investors. The units may trade on the exchange at a premium or discount to their issue price.

By fund management style

Passive funds are schemes that attempt to mimic a particular index. They include exchange-traded funds ("**ETFs**") and index funds. The efficiency of these funds is generally evaluated by monitoring their tracking error. Tracking error reflects how efficiently a scheme is able to replicate the returns of its underlying total return index on a daily basis. It is measured by calculating the standard deviation of difference between the daily returns and the underlying total return index of the scheme. A low tracking error indicates efficiency in managing the scheme.

Active funds attempt to generate higher returns than their benchmark index by actively managing the portfolio. An active fund investor relies on the expertise of a fund manager who buys and sells securities based on his/her research and judgment of the market.

Another important aspect of active versus passive funds is the difference in expense structures. Expenses for passive funds are typically lower than that for active funds due to lower fund management cost.

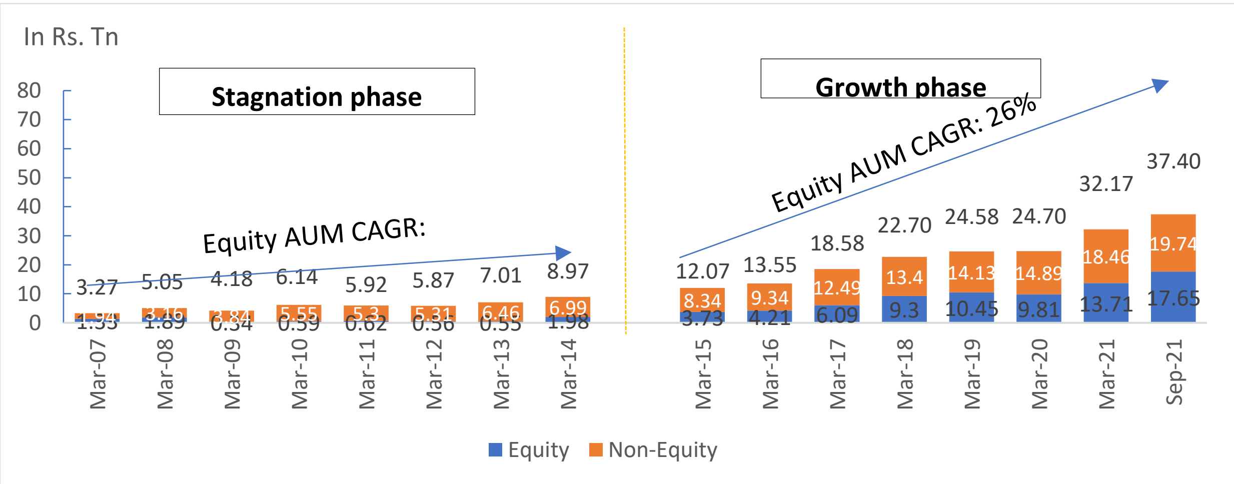
By asset class

There are five broad categories of mutual fund schemes by asset class – equity, hybrid, debt, solution-oriented, and other schemes.

Historical AUM growth

The aggregate AUM of the Indian mutual fund industry has grown at a healthy pace of 18% CAGR, against the backdrop of an expanding domestic economy, robust inflows, and rising investor participation, particularly from individual investors. In this phase, equity AUM posted 24% CAGR whereas non-equity AUM grew at 14% CAGR. As of December 31, 2021, the monthly average equity AUM was ₹ 18.69 trillion whereas the total MAAUM for the industry was ₹ 37.91 trillion in the same period.

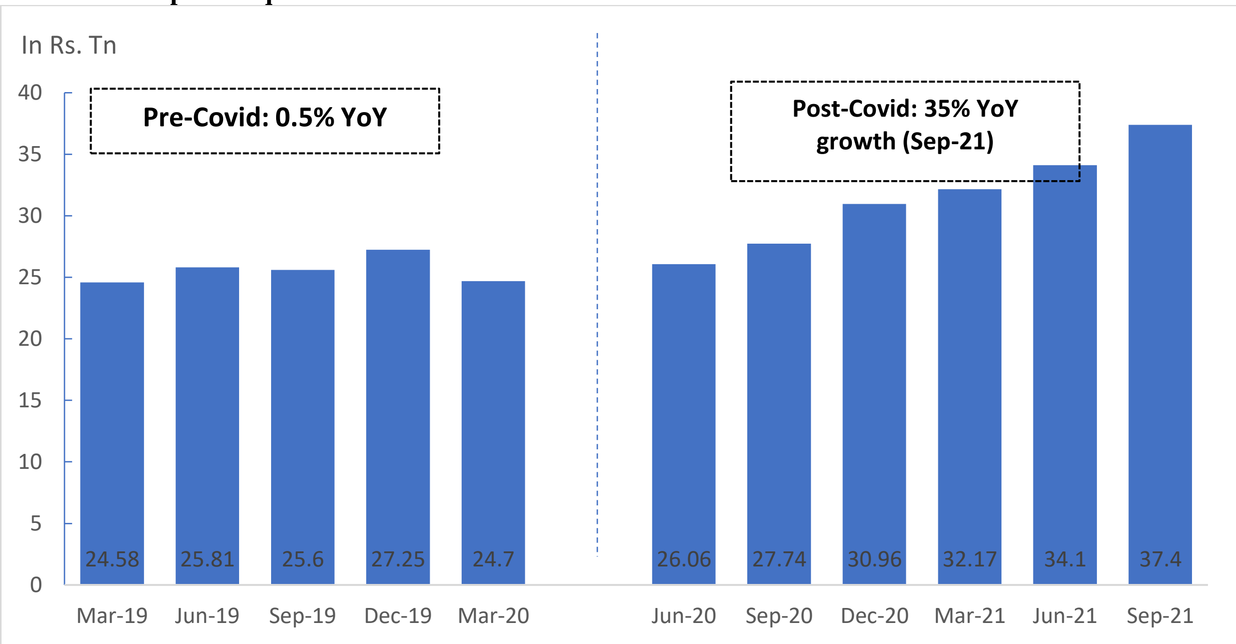
Mutual funds AUM growth



Note: Based on monthly average AUM.
Source: AMFI, CRISIL Research

Aggregate industry AUM (based on MAAUM) grew 35% YoY to ₹ 37.4 trillion as of September 2021 from ₹ 27.74 trillion as of September 2020, driven by recovery post the Covid-19 pandemic, increased B30 penetration and rising popularity of systematic investment plans ("**SIPs**") as an investment vehicle.

AUM over the past 11 quarters



Note: Based on monthly average AUM.
Source: AMFI, CRISIL Research

MF industry AUM to sustain double-digit pace between fiscals 2021 and 2026

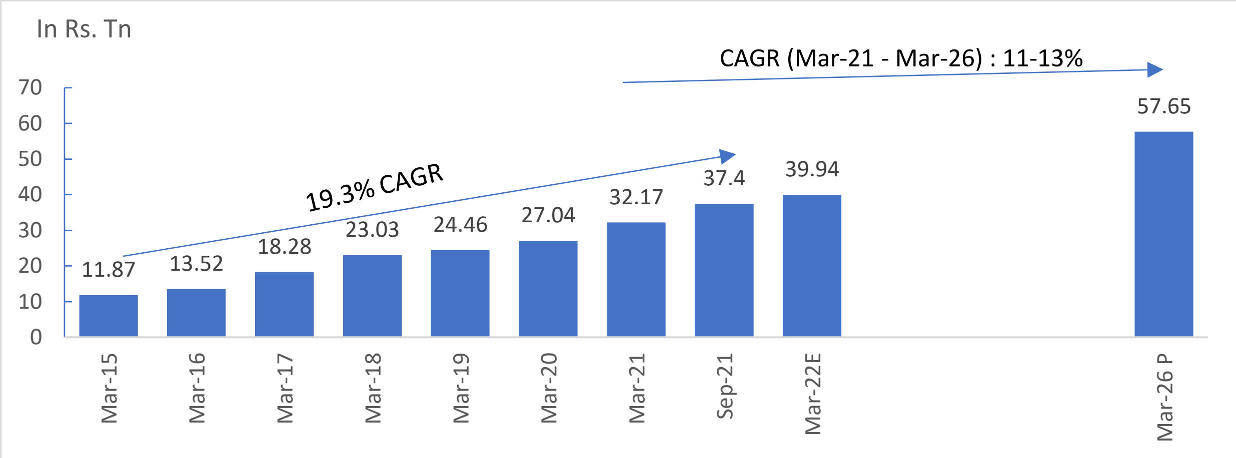
The mutual fund industry's quarterly average AUM ("**QAAUM**") grew at ~19% on-year in fiscal 2021 mainly on account of sharp run up in the underlying value of equities and consistent inflows into debt funds, post the first half of the year, wherein debt mutual funds were buffeted by Franklin Templeton Mutual Fund's decision in April 2020 to shut down six of its debt mutual fund schemes, citing lack of liquidity in the bond market. The decision had a contagion impact on debt mutual funds, with large scale redemptions in the immediate aftermath.

In the long term, i.e. between March 2021 and March 2026, the overall industry's AUM is projected to sustain a high growth trajectory of 11-13% CAGR, reaching ₹ 57 trillion. Growth will be driven by:

- Pick-up in corporate earnings following stronger economic growth
- Higher disposable income and investable household surplus
- Increase in aggregate household and financial savings
- Deeper regional penetration as well as better awareness of mutual funds as an investment vehicle
- Continuous improvement in ease of investing, with technological innovations and expanding internet footprint
- Perception of mutual funds as long-term wealth creators, driven in part by initiatives like 'Mutual Fund Sahi Hai' campaign

The announcement in Union Budget 2021-22 taxing contributions over ₹ 250,000 per annum in unit-linked insurance plans, which is in-line with equity mutual funds ("**ELSS**"), is also expected to partly aid inflows into mutual funds.

AUM trajectory



E: Estimated, P: Projected
Note: AUM is the average of last quarter for each fiscal
Source: AMFI, CRISIL Research

Average AUM of equity-oriented funds grew at a 26.05% CAGR in between March 2012 to September 2021 to ₹ 17.86 trillion as of September 2021, while debt-oriented funds rose a noticeably lower 13.27% CAGR in same period, largely because of the IL&FS default and the ensuing NBFC crisis.

AUM growth trajectory across categories

Categories (₹ Trillion)	*March 2012*	*March 2013*	*March 2014*	*March 2015*	*March 2016*	*March 2017*	*March 2018*	*March 2019*	*March 2020*	*March 2021*	*Sep 2021*	*March 2012 to Sep 2021 CAGR*
Equity	*1.98*	*2.03*	*1.97*	*3.65*	*4.18*	*5.93*	*9.58*	*10.21*	*11.30*	*13.87*	*17.86*	*26.05%*
Debt	*3.05*	*4.08*	*4.52*	*5.31*	*5.88*	*7.99*	*8.13*	*7.15*	*7.97*	*9.86*	*9.96*	*13.27%*
Liquid/Money Market	*1.51*	*1.92*	*2.45*	*2.77*	*3.27*	*3.94*	*4.56*	*5.92*	*5.96*	*5.52*	*5.86*	*15.34%*
ETF	*0.11*	*0.14*	*0.11*	*0.14*	*0.19*	*0.43*	*0.76*	*1.19*	*1.81*	*2.92*	*3.73*	*44.91%*
Total	*6.65*	*8.17*	*9.05*	*11.88*	*13.52*	*18.28*	*23.03*	*24.46*	*27.04*	*32.17*	*37.40*	*19.94%*

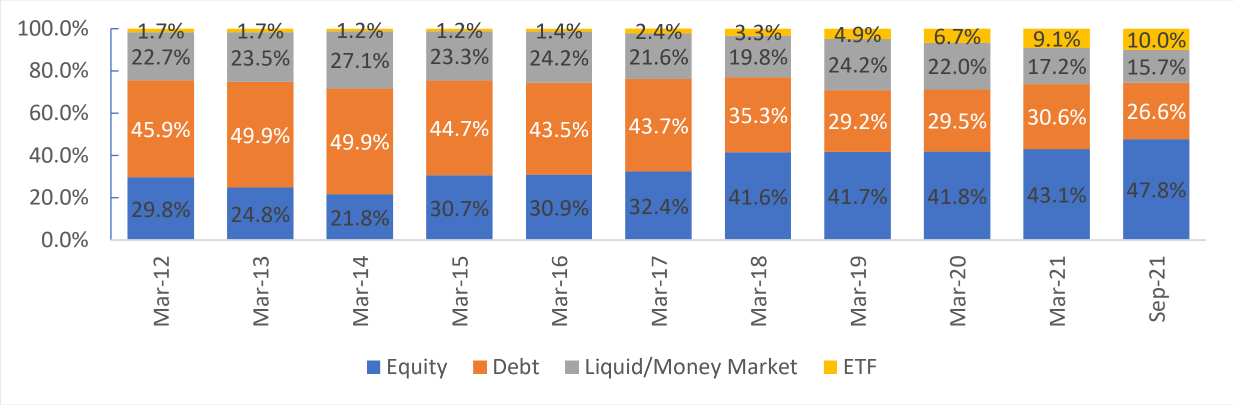
Notes:
(1) Equity includes equity funds, ELSS, index funds, solution-oriented funds, and balanced funds. Debt funds include gilt, income, conservative hybrid, floater funds, and FoFs investing overseas. ETF includes gold ETFs and other ETFs. Liquid/ money market includes liquid funds, overnight funds, and money market funds
(2) Segment-wise AUM data is available since March 2012 with AMFI
(3) Quarter average AUM excludes IDFs
Source: AMFI, CRISIL Research

Category-wise, the share of equity funds rose from 29.8% as of March 2012 to 47.8% as of September 2021, led by sharp rise in inflows via the SIP route and mark-to-market ("**MTM**") gains in the underlying stocks. The other big gainer was the ETF segment, which expand from a marginal 1.7% to 10.0% during the period, supported by institutional investing, especially by the EPFO.

In contrast, the share of the debt fund category decreased to 26.6% as of September 2021 from 45.9% as of March 2012 as the Franklin Templeton episode snowballed into large scale redemptions across debt funds.

The QAAUM share of liquid and money market funds also declined, from 22.7% as of March 2012 to 15.7% as of September 2021, as the category lost out on the amortisation benefit after being MTM, and as investors chased higher yields in short maturity debt funds.

Trend in share of various mutual fund segments



Notes:
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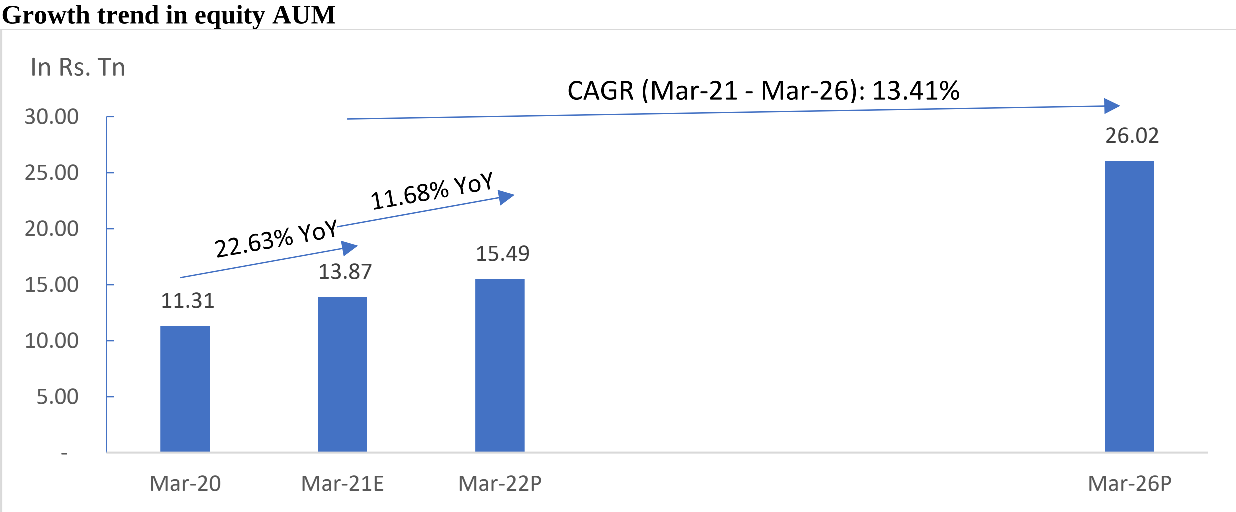
(2) Segment-wise AUM data is available since March 2012 with AMFI
(3) Quarter average AUM excludes IDFs

Nevertheless, strong performance of the overall industry can be attributed to increased financial savings as well as improving investor awareness about the benefits of mutual funds in the financial savings basket.

Equity AUM, which is the largest MF AUM category, posted a strong growth of ~23% in fiscal 2021 on account of higher MTM gains during the year. In the long term, CRISIL expects the MTM gains in the category to moderate down to an average ~6-10% in next five years post March 2021. In the long term, CRISIL expects the equity AUM to grow at ~13% CAGR, the second fastest growth amongst all MF categories, over March 2021 to March 2026.

Growth trend in equity AUM



E: Estimated, P: Projected
Note: As per quarterly average AUM; equity includes equity funds, ELSS, index funds, solution-oriented funds and balanced funds AUM excluding Fund of Funds – Domestic but including Fund of Funds – Overseas
Source: AMFI, CRISIL Research

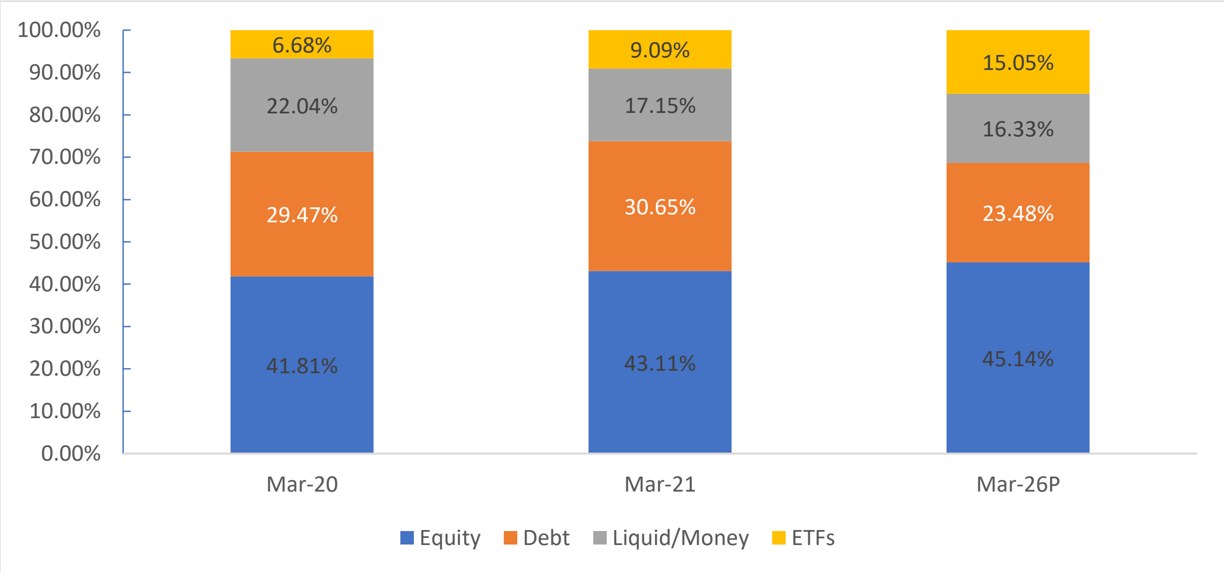
Debt mutual funds have seen a growth in AUM of ~14% CAGR between FY12 and FY21. The growth was mainly led by participation by institutional investors (mainly Banks/FI and Corporates). CRISIL Research expects, inflows in the short term, to be directed towards debt funds investing in the shorter end of the yield curve on the back of rising inflation. In the long term, the segment is expected to grow at ~7% CAGR in next 5 years (March 2021 to March 2026) on the back of economic recovery and improving business outlook.

The liquid / money market funds' AUM has increased by ~19% CAGR over FY12 and FY21. The investor base in the segment is largely composed of corporates and banks. Pickup in economic recovery and improving business outlook post the disruption posed by Covid-19 are expected to aid inflows in liquid/money market funds going ahead.

CRISIL Research expects the segment to grow at ~12% CAGR in next 5 years (March 2021 to March 2026).

ETFs have witnessed a higher AUM growth rate relative to other categories between FY12 to FY21 (increasing by ~44% CAGR over the period). Increasing participation by institutional investors in recent years has supported the growth of this segment, and CRISIL expects this trend to continue. In the long term, CRISIL expects the segment to grow at ~24% CAGR over Mar 2021 to March 2026.

Trend in projected share of various mutual fund segments (%)



E: Estimated, P: Projected
Note: As per quarterly average AUM. Equity includes equity funds, ELSS, index funds, solution-oriented funds, and balanced funds. Debt funds include gilt, income, conservative hybrid, floater funds, and FoFs investing overseas. ETF includes gold ETFs and other ETFs. Liquid/ money market includes liquid funds, overnight funds, and money market funds.
Source: AMFI, CRISIL Research

Trend in AUM as well as growth across mutual fund segments till March 2026

(₹ trillion)

	March 2020	*March 2021*	*Sept 2021*	*March 2022E*	*YoY growth (March 2020-March 2021)*	*YoY growth (March 2021-March 2022 E)*	*March 2026P*	*CAGR (March 2021-March 2026)*
Equity	*11.31*	*13.87*	*17.86*	*18.59*	*23%*	*34%*	*26.02*	*13%*
Debt	*7.95*	*9.86*	*9.96*	*10.50*	*24%*	*6%*	*13.54*	*7%*
Liquid / Money	*5.97*	*5.52*	*5.86*	*6.35*	*-8%*	*15%*	*9.41*	*11%*
ETFs	*1.81*	*2.92*	*3.73*	*4.50*	*62%*	*54%*	*8.68*	*24%*

E: Estimated, P: Projected
Note: As per quarterly average AUM. Equity includes equity funds, ELSS, index funds, solution-oriented funds, and balanced funds. Debt funds include gilt, income, conservative hybrid, floater funds, and FoFs investing overseas. ETF includes gold ETFs and other ETFs. Liquid/ money market includes liquid funds, overnight funds, and money market funds.
Source: AMFI, CRISIL Research

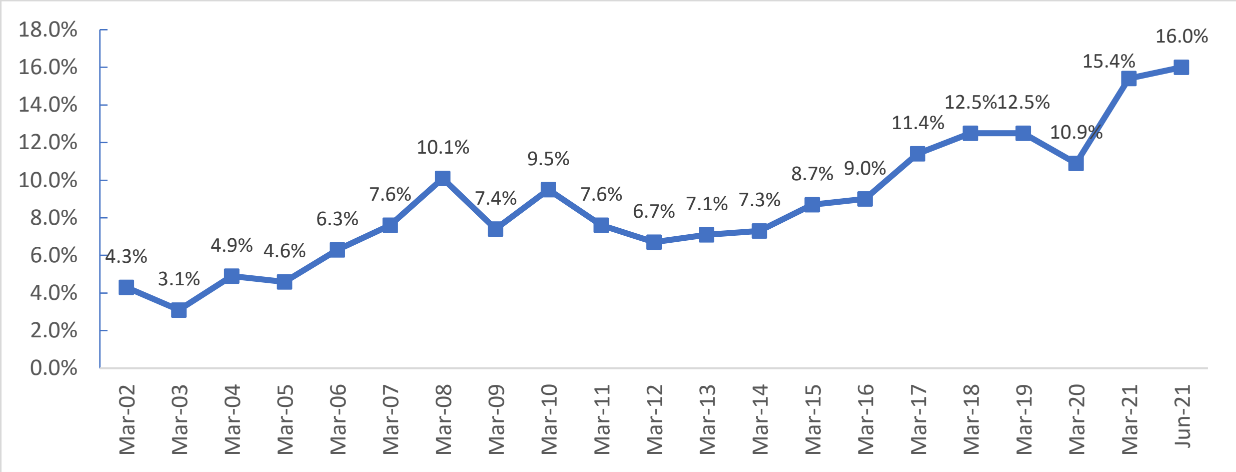
Key growth drivers

Mutual fund penetration

Mutual fund assets in India have seen robust growth, especially in recent years, driven by a growing investor base due to increasing penetration across geographies, strong growth in capital markets, technological progress, and regulatory efforts aimed at making mutual fund products more transparent and investor-friendly.

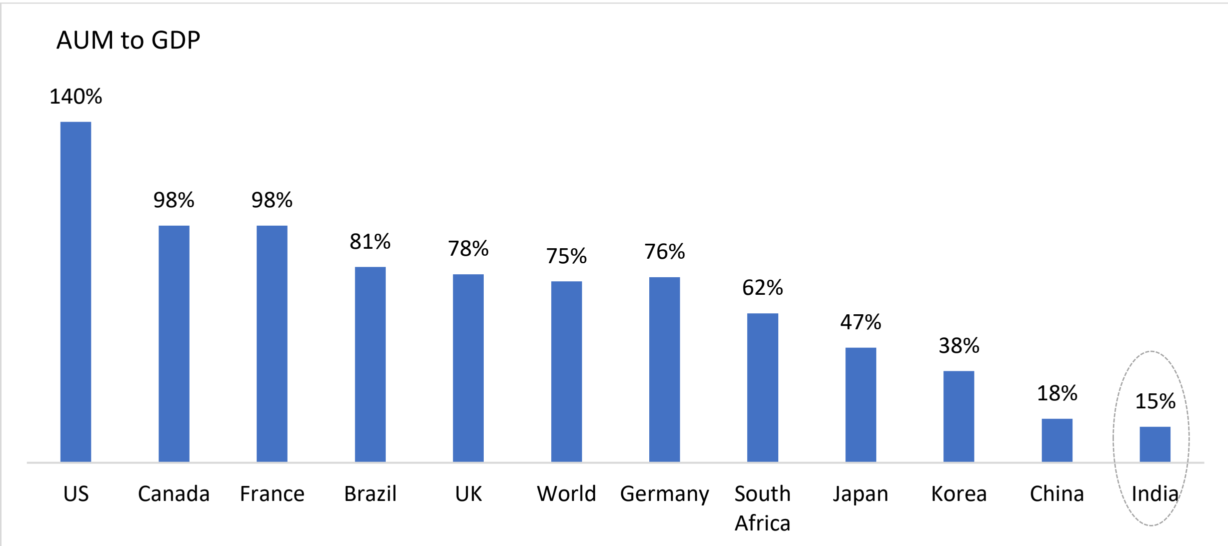
Although mutual fund AUM as a percentage of GDP grew from 4.3% in Fiscal 2002 to ~16% in June 2021, penetration levels remained well below those in other developed and fast-growing peers.

Mutual fund AUM (as % of GDP)



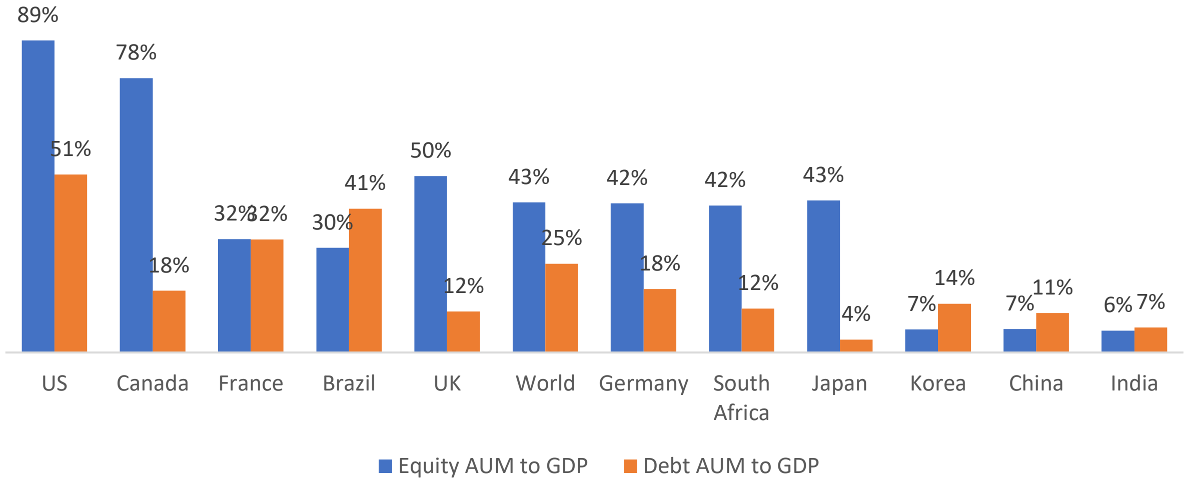
Note: Based on end of fiscal AUM and GDP at current prices
Source: AMFI, IMF, RBI, CRISIL Research

India's mutual fund penetration (AUM-to-GDP) is significantly lower (15%) than the world average of 75% and also lower than many developed economies such as the US (140%), Canada (98%), France (98%) and the UK (78%) and key emerging economies such as Brazil (81%) and South Africa (62%).



Note: AUM data as of CY 2020: Q4 for all countries; only open-ended funds have been considered. Includes, equity, debt and others. GDP is based on current prices estimation by IMF in world economic outlook April 2020.
Source: IMF, IIFA, CRISIL Research

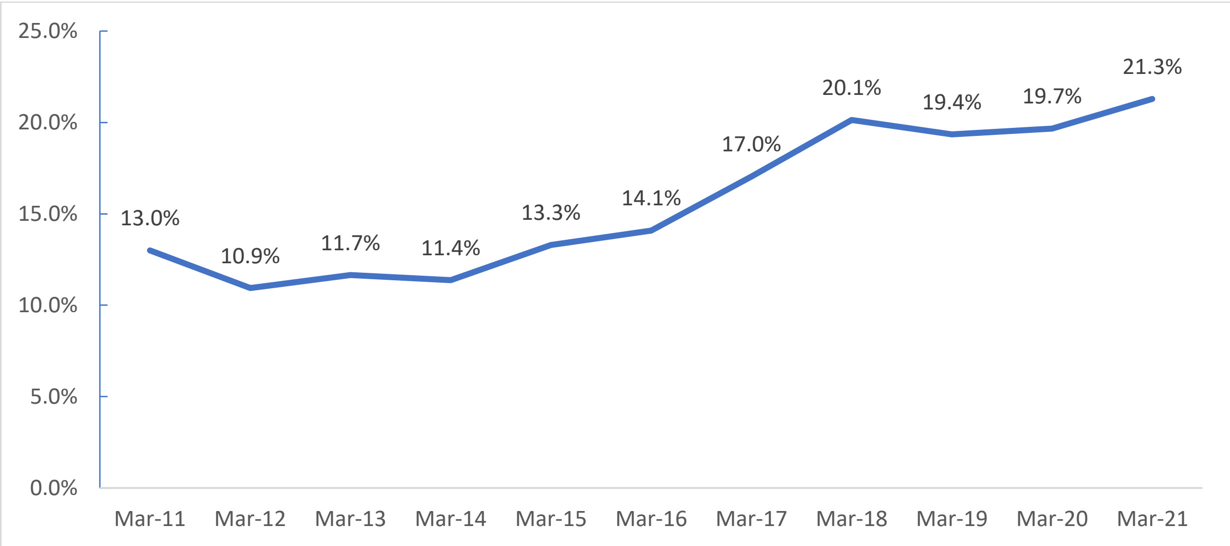
The ratio of the equity mutual fund AUM-to-GDP in India is considerably low at 6% compared with 89% in the US, 78% in Canada, 50% in the UK, and 30% in Brazil.



Note: AUM data as of CY 2020:Q4; only open-ended funds have been considered; guaranteed/protected, real estate funds and other funds have not been considered. Equity AUM include Equity and Balanced whereas Debt AUM include Bond and Money Market; GDP is based on current prices estimation by IMF in world economic outlook April 2020.
Source: IMF, IIFA, CRISIL Research

Mutual fund AUM (as a % of total banking deposits)

Mutual fund AUM as % of banking deposits witnessed a sharp increase from 13.0% in March 2011 to 21.3% in March 2021.



Note: QAAUM for mutual funds considered.
Source: RBI, AMFI, CRISIL Research

Population

India is the second most populated country after China

	2020(P) population (millions of people)
China, People's Republic of	1,404.45
India	1,369.55
United States	331.05
Indonesia	269.86
Brazil	211.37
Pakistan	208.57
Nigeria	206.14
Bangladesh	168.31
Russian Federation	146.61

	2020(P) population (millions of people)
Japan	125.75

Source: IMF (World Economic Outlook, October 2019), CRISIL Research

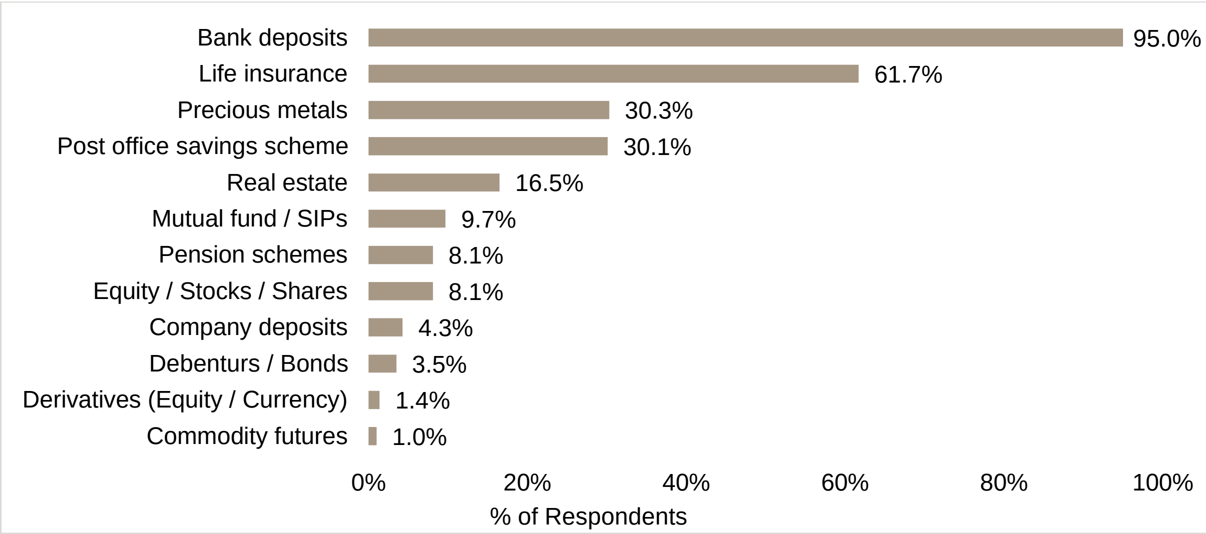
Age and size of working population

As per the United Nations' World Population Prospects 2019 estimates, as many as 90% of Indians are expected to be below the age of 60 by 2020, compared with 77%, 83% and 86% in the US, China and Brazil, respectively. By 2020, India's working population (in the age bracket of 15-59) is expected to be 64% of its total population.

Financial inclusion, investor education and regulatory initiatives

Financial inclusion

The low mutual fund penetration in the country is largely due to the lack of awareness about this investment vehicle. The SEBI's investor awareness survey of 2015 showed that mutual funds/ SIPs were used by only 10% of the respondents as investment and saving avenues.



Source: SEBI Investor Awareness Survey, 2015; N = 36,756 (all urban respondents, SIS 2015). Respondents could check multiple options

The Central government launched the Pradhan Mantri Jan Dhan Yojana with an objective to widen financial inclusion by bringing the unbanked population into the formal banking system. Under the scheme, there were as many as 397.1 million beneficiaries as on June 30, 2020, with deposits totalling ₹ 1,325 billion. Over time, these new banking customers are also expected to utilise other financial sector activities such as investing in capital markets through mutual fund products. Other government and regulatory initiatives aimed at widening the formal financial system will also aid this growth.

Investor education

As outlined above, the SEBI has directed AMCs to annually set aside at least 2 bps of their daily net assets for investor-education initiatives such as boosting awareness about capital market investment products. The overall increase in advertising by the fund houses and robust market performance are likely to boost industry AUM, which, in turn, will result in higher spending on investor awareness. This will ultimately help deepen mutual fund penetration among new investors, particularly in B30 markets.

Retirement planning

Retirement planning is an untapped market in India. If channelled through mutual funds, it has the potential to significantly improve penetration among households. EPFO's move to invest 15% of its fresh accretion into ETFs has boosted the industry. This illustrates how mutual funds can be promoted as a vehicle for retirement planning in India. The substantial proportion of young population offers huge potential for this.

Tax benefits

The popularity of ELSS, a mutual fund product that helps investors save income tax (under Section 80C of the Income Tax Act, 1961), has also grown. These schemes have a lock-in period of three years. Over the past five years, many of these schemes have outperformed their benchmark indices Their aggregate AUM as of September 2021 stood at ₹ 1,537 billion, up from ₹ 395 billion in March 2016, clocking a CAGR of 28%. This further illustrates retail investors' rising interest in equity products.

Technology

Technology is expected to play a pivotal role in taking the financial sector to the next level by helping overcome the challenges stemming from India's vast geography. Financial sector players are finding it commercially unviable to have dense physical footprints in smaller locations. India's demographic structure, with the median age at 28 years, is also favourable for technological advancement in the sector. The younger population is expected to be able to use seamless technological platforms to meet their financial requirements. Increasing smartphone penetration and improved data speed are expected to support digitalisation of the sector, which, in turn, should help AMCs lower their cost and improve overall efficiency. Service providers with better mobile and digital platforms will be better positioned to acquire new customers entering the industry.

Easy access to mutual fund products

In May 2017, SEBI allowed investments up to ₹ 50,000 per mutual fund per financial year through digital wallets. Given the rise in the penetration of smartphones and greater adaption of technology platforms by the young population, measures such as these can make mutual fund products more easily available to investors.

The growth in AUM through the direct route can also be partially attributed to the ease of transactions facilitated by online portals, including mobile applications. While the direct route is mainly used by institutional investors, as per CRISIL there has been a gradual increase in the share of individual investors through this route. The introduction of the mutual fund utility platform, which allows investors to transact with schemes of multiple fund houses through a single window, has also boosted the ease of access.

Instant access facility

In May 2017, SEBI allowed mutual funds to offer instant access facility via online mode to individual investors in liquid schemes. People can redeem up to ₹ 50,000 or 90% of the folio value, whichever is lower, via this route. The regulation will facilitate instant redemption for liquid fund investors who park money for shorter time frames. While this category of mutual funds is currently dominated by institutional investors, introduction of the facility is encouraging individual investors to park excess funds in liquid products instead of savings accounts.

e-KYC for retail Investors

Reintroduction of Aadhaar-based KYC (which was discontinued in September 2018 due to a Supreme Court ruling) will allow investors residing in India to go to any AMC website to complete their e-KYC process. Various online platform such as FundzBazar and NJ E-Wealth have already introduced this feature which will reduce the time and cost associated with paper on-boarding processes. This will also lower the inconvenience threshold, which keeps a section of investors from entering the market.

As per the latest notification on November 5, 2019, even SEBI-registered mutual fund distributors and advisors will be able to complete the e-KYC process by registering as a sub-KUA with a KYC user agency ("**KUA**"). The KUA has to be registered with the Unique Identification Authority of India.

Fund performance across categories

Performance of various categories of schemes has been a key driver of the industry's growth. Despite the short-term volatility, long-term returns across segments have been robust and competitive.

The availability of tax benefits and the ability to invest in different types of funds allow investors to allocate funds in keeping with their investment constraints and objectives. Overall, investor confidence in the asset class is likely to only increase over time.

Net inflow in mutual funds to strengthen with retail participation

Fiscal 2021, however, saw a resurgence of investor interest in mutual funds despite challenges heaped by the pandemic. The industry saw aggregate inflows of ₹ 2,192 billion in the financial year compared with peak inflows of ₹ 3,430 billion in Fiscal 2017. As per AMFI monthly disclosure, Industry witnesses an inflow of ~₹ 1,696 billion as of September 2021.

In the long term, with expectations of higher returns from the capital markets, the fund flow into equity funds is expected to be high. Increasing share of mutual funds in the financial savings of households, driven by expectations of higher and stable returns, is a key factor that will contribute to fund inflows, especially into passive and equity fund categories.

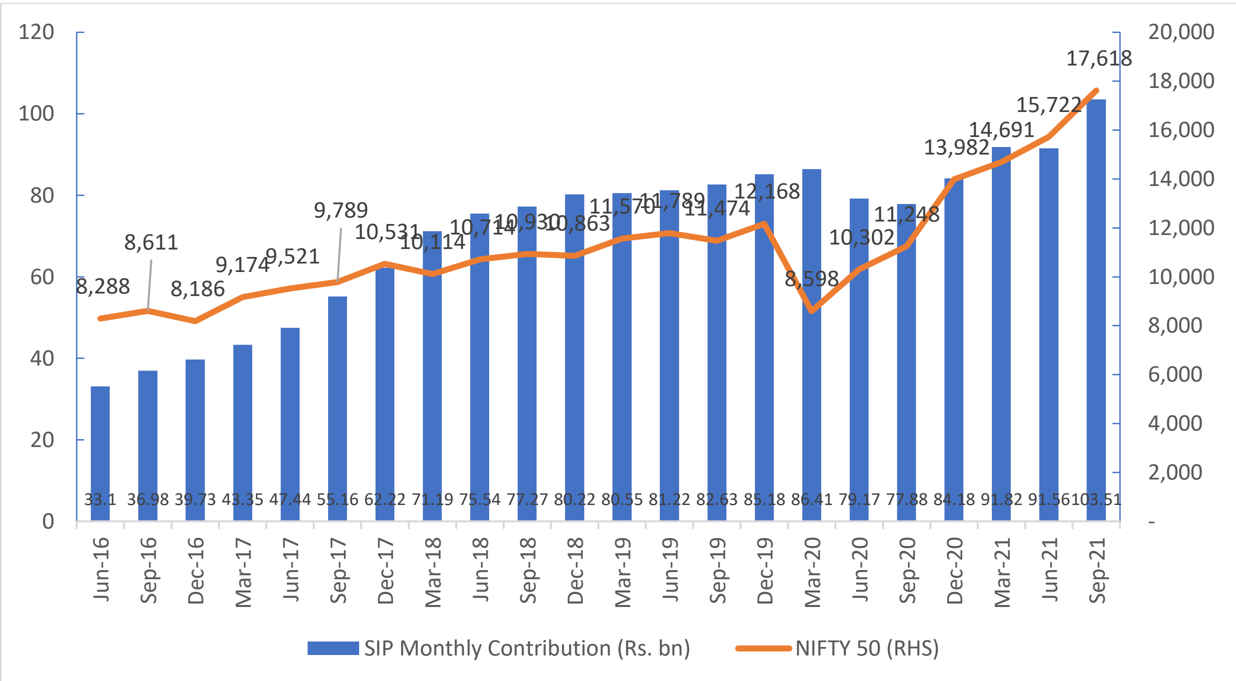
Systematic investment plans

SIPs have helped further increase retail investor participation in the mutual fund space. Several benefits accrue from SIPs, such as avoidance of behavioural weakness during uncertain periods, aggregation of a high number of small amounts, and certain tax incentives. These have not only made SIPs an attractive investment option, but have also helped grow and diversify net inflow across the industry. With contribution levels set low enough to make inflows less susceptible to cycles, SIPs have also helped reduce volatility with respect to aggregate inflows.

Indeed, monthly inflows into mutual funds through the SIP route have steadily increased, from ~₹ 33 billion in June 2016 to ~₹ 104 billion in September 2021. This surge is the result of increasing popularity of SIPs as an investment option and lower minimum investment required to invest in SIPs, thereby increasing accessibility of mutual fund investments to lower income households. This is reflected in the increase in number of SIP accounts to 44.9 million as of September 2021 from 21.10 million as of March 2018. As of December 2021, the number of SIP accounts was 49.1 million. Owing to the rise in the number of accounts, though, the average ticket size has come down from a peak of ₹ 3,375 in March 2018 to ₹ 2,305 in September 2021 and ₹ 2,303 in December 2021.

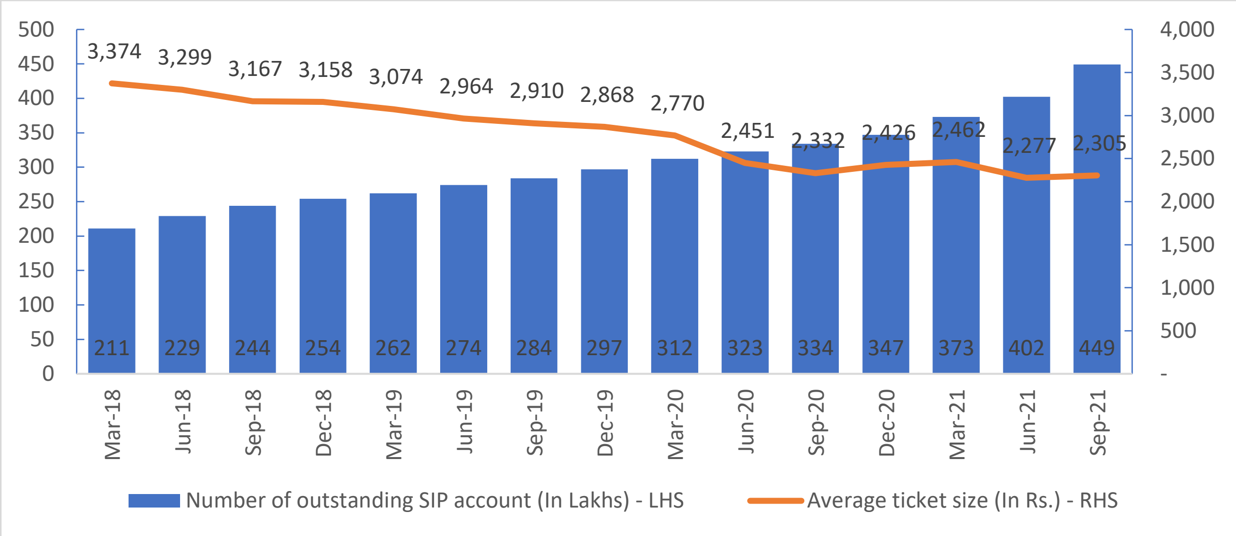
The mutual fund industry collected ~₹ 0.96 trillion through SIPs during fiscal 2021 as compared with ₹ 1.0 trillion during the fiscal 2020. From April 2021 to September 2021 the cumulative SIP contribution is ~₹ 0.56 trillion. Popularity of equity funds, rising participation of investors, recent investor education initiatives, and apparent benefits of SIPs to households that traditionally did not invest in mutual funds indicate that growth in inflows from SIPs will accelerate over the foreseeable future. This would make SIPs an increasingly important component in overall AUM growth. The SIP monthly contribution in December 2021 was ₹ 113.05 billion

SIP monthly contribution trend



Source: AMFI, NSE

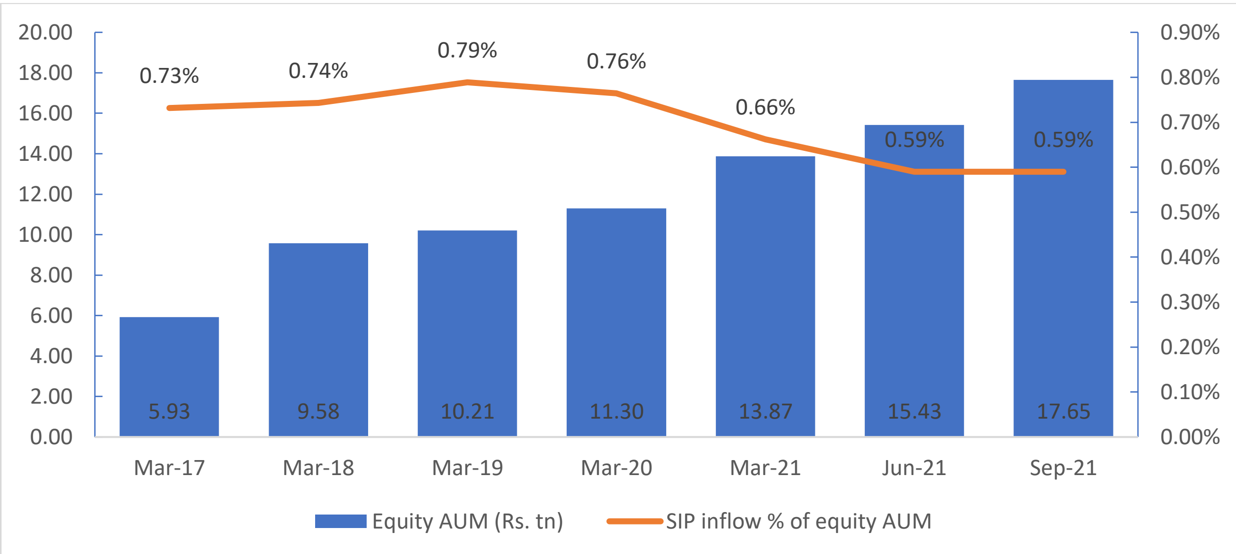
SIP – Number of outstanding accounts and average ticket size



Note – Ticket size is defined as SIP outstanding divided by total number of outstanding SIP accounts
Source: AMFI, CRISIL Research

While aggregate monthly average equity AUM rose from ₹ 4,183 billion as of March 2016 to ₹ 17,659 billion as of September 2021, thus clocking a CAGR of 30%, SIP inflow during the same period increased from ₹ 31 billion to ₹ 104 billion, a CAGR of 25%. Between March 2017 and March 2020, SIP inflow averaged 0.76% of the monthly average equity AUM. However, because of the pandemic, contributions declined, thereby lowering SIP inflow % of equity AUM from 0.76% as of March 2020 to 0.66% as of March 2021 and further declined to 0.59% in September 2021. As the economy gradually recovers from the pandemic-induced spiral, SIP contributions are expected to regain their growth momentum.

SIP Inflow as % of equity AUM

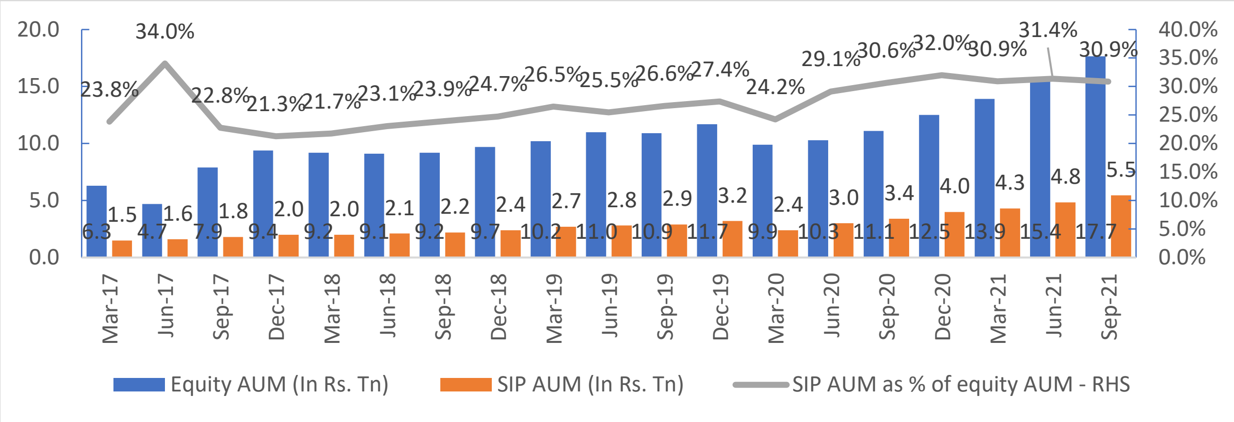


Notes:
(1) Equity includes equity funds, ELSS, index funds, solution-oriented funds, and balanced funds
(2) Monthly average AUM in ₹ billion
(3) SIP inflows numbers represents total SIP inflows including debt
Source: AMFI, CRISIL Research

SIP AUM as % of equity AUM

The aggregate monthly average equity AUM rose from ₹ 6.28 trillion as of March 2017 to ₹ 17.65 billion as of

September 2021, thus clocking a CAGR of 26%, whereas SIP AUM during the same period increased from ₹ 1.49 trillion to ₹ 5.45 trillion, a CAGR of 33%. The SIP AUM as % of equity AUM has increased to 30.9% as of September 2021 from 23.8% as of March 2017. As of December 2021, the SIP AUM was ₹ 5.7 tn against ₹ 18.69 tn of equity AUM. The SIP AUM as % of equity AUM stands at 30.2% as of December 2021.

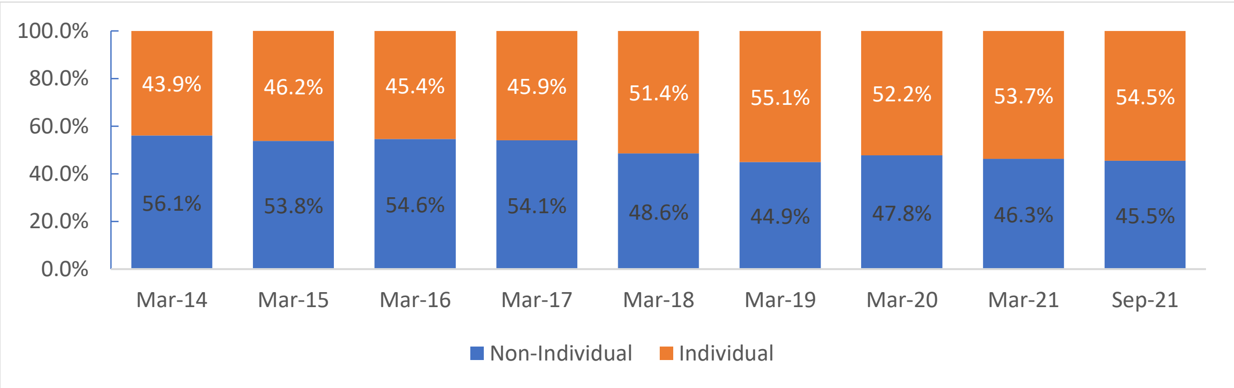


Notes:
(1) Equity includes equity funds, ELSS, index funds, solution-oriented funds, and balanced funds
(2) Equity AUM is based on closing monthly numbers
(3) SIP inflows numbers represents total SIP inflows including debt
Source: AMFI, CRISIL Research

Investor profile

Historically, majority of the industry's assets were held by institutional investors, mainly corporates. However, the share of institutional investors, corporates, banks/FIs and foreign institutional investors ("**FIIs**") has gradually declined from 56.1% as on March 2014 to 45.5% as on September 2021. This is because, while institutional AUM grew at 16.4% CAGR over the period, individual AUM saw a faster trajectory of 24.3% CAGR on the back of rising participation, especially in equity funds.

Share of AUM by investor classification



Notes:
(1) Average monthly AUM for the period considered
(2) Individual investors include retail and HNI investors. Institutional investors include corporates, banks/FIs, and FII / FPIs
Source: AMFI, CRISIL Research

Share of AUM by investor classification

(₹ trillion)

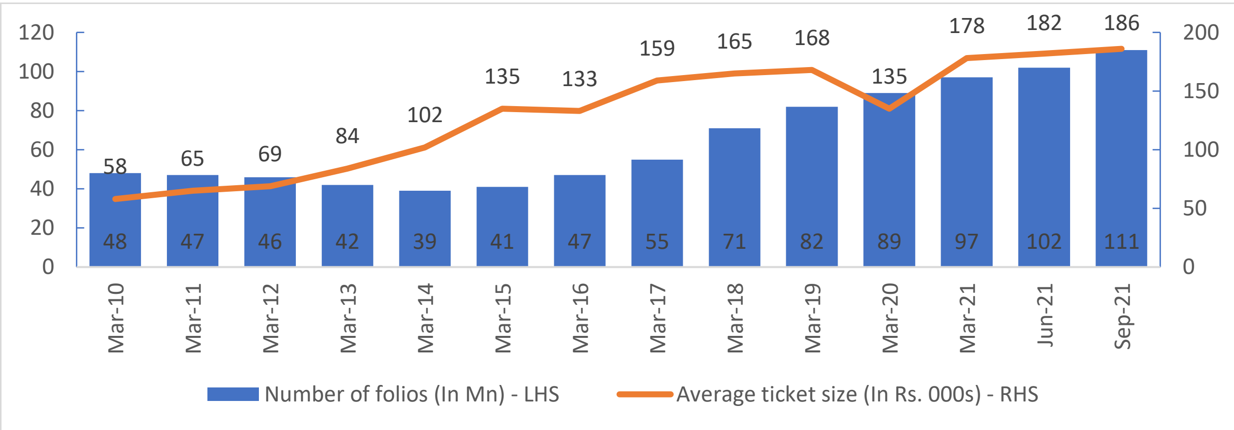
Category	March2014	March 2015	March 2016	March 2017	March 2018	March 2019	March 2020	March 2021	September 2021	CAGR (March 2014 to September 2021)
Corporates	4.49	5.67	6.44	8.81	10.05	10.10	10.98	14.27	16.16	18.6%
Banks/FIs	0.45	0.65	0.84	1.10	0.87	0.83	0.77	0.58	0.81	8.1%
FIIs/FPIs	0.08	0.16	0.11	0.13	0.13	0.11	0.05	0.06	0.05	-6.3%

Institutional sub-total	5.02	6.48	7.39	10.05	11.04	11.04	11.81	14.90	17.02	17.7%
Retail Investor	1.63	2.44	2.63	3.82	5.36	6.45	4.70	7.04	8.63	24.9%
High net worth individuals	2.31	3.14	3.53	4.70	6.31	7.10	8.21	10.23	11.76	24.2%
Individual sub-total	3.93	5.58	6.16	8.53	11.67	13.54	12.90	17.27	20.39	24.5%
Total	8.96	12.07	13.55	18.57	22.71	24.58	24.71	32.17	37.40	21.0%

Note: Average monthly AUM for the period
Source: AMFI, CRISIL Research

The mutual fund industry has seen increased participation from households in recent years, as a result of growing awareness, financial inclusion, and improved access to banking channels. Between March 2015 and September 2021, the industry's folios increased by ~70 million to 111 million, a ~14% CAGR, driven almost entirely by individual investors (retail and high net worth individuals, or HNIs). Also, the average ticket size increased from ₹ 135,000 as on March 31, 2015 to ₹ 186,000 as on September 30, 2021.

Trend in individual investor folio and average ticket size



Note: Number of folios as on end of fiscal. Average ticket size is calculated as outstanding AUM divided by number of folios
Source: AMFI, CRISIL Research

Importance of the presence in B30 markets for growth

In March 2021, the monthly average AUMs in the top 30 ("**T30**") cities stood at ₹ 31.24 trillion compared with ₹ 6.15 trillion for beyond the top 30 ("**B30**") cities as per AMFI data. The SEBI has reclassified top 15 ("**T15**") and beyond the top 15 ("**B15**") as T30 and B30, respectively, to encompass a wider set of cities that have lower penetration after seeing the share of B15 cities improve regularly in previous years.

According to AMFI data, the share of T30 AUM as a proportion of aggregate industry AUM decreased to 83.55% in September 2021 from 84.47% in March 2014. Conversely, the share of B30 AUM increased to 16.45% from 15.53% over the same period, illustrating the rising importance of higher-growth B30 cities.

Increasing equity AUM penetration of individual investors under regular category in B-15 / B-30 cities

Individual investor under Regular Category – AUM (In ₹ Bn)		Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Sep-21	CAGR (March 2016 – Sep-21)
Equity	T-15/T-30	2,296	3,271	4,790	5,980	5,318	7,293	9,164	29%
	B-15/B-30	911	1,422	2,269	2,133	1,988	2,913	3,649	29%
Non-Equity	T-15/T-30	1,766	2,152	2,208	2,494	2,401	2,708	2,502	7%
	B-15/B-30	377	559	714	641	716	885	795	15%

Trend on asset ageing

Individual investors tend to stay invested for longer periods and prefer equity-oriented schemes, providing predictable, committed AUMs and profitability. In equity AUM, the share of Individual AUM under >24-month bucket witnessed a sharp increase of ~8% percentage points from March 2016 to September 2021.

Rising income levels, burgeoning affluent middle class, government's push towards financialisation of savings, *Mutual Fund Sahi Hai* campaign and attractive market returns during last five years has led to increased participation from retail investors. Below are some key factors that have led to growth in individual equity segment:

- Digitalisation and improvement in product offerings – CRISIL Research believes that the businesses of tomorrow in the financial distribution Industry will not only strive to create a digital-enabled workflow, but also act as a one-stop solutions to its clients to invest across different financial products based on their goals and objective.

- Ease of doing transactions – Adoption of various technological platforms has improved the overall consumer experience. The growth in market share of retail participants in overall turnover has coincided with the rising internet penetration and mobile trading. Further, the investment in technological advancements by distributors has ensured ease of access and usage of their personalised platforms. This is likely to have led to more active participation by retail investors across product segments.

- Favourable demographics - Currently, India is one of the nations with the highest young population, with a median age of 28 years. CRISIL Research believes a large share of the working population, coupled with rapid urbanisation and rising affluence, will propel growth in this segment

March 2016	**Investor classification / (% to category bucket)**	**0-1 Month**	**1-3 Month**	**3-6 Month**	**6-12 Month**	**12-24 Month**	**>24 Month**
Equity	Institutional	9.80%	9.49%	14.25%	25.71%	22.65%	18.10%
	Individual	4.31%	5.95%	7.61%	15.88%	24.69%	41.57%
Non-Equity	Institutional	35.96%	9.56%	7.14%	10.65%	17.76%	18.92%
	Individual	9.96%	7.84%	8.24%	13.87%	22.53%	37.56%

March 2020	**Investor classification / (% to category bucket)**	**0-1 Month**	**1-3 Month**	**3-6 Month**	**6-12 Month**	**12-24 Month**	**>24 Month**
Equity	Institutional	11.75%	11.69%	9.95%	12.76%	19.64%	34.20%
	Individual	5.67%	6.04%	6.62%	12.81%	24.97%	43.88%
Non-Equity	Institutional	34.13%	11.15%	8.98%	11.92%	13.77%	20.04%
	Individual	11.59%	8.06%	9.57%	14.37%	21.68%	34.72%

March 2021	**Investor classification / (% to category bucket)**	**0-1 Month**	**1-3 Month**	**3-6 Month**	**6-12 Month**	**12-24 Month**	**>24 Month**
Equity	Institutional	40.37%	7.23%	6.05%	10.41%	15.19%	20.75%
	Individual	3.11%	5.78%	6.33%	12.13%	21.28%	51.37%
Non-Equity	Institutional	27.26%	14.71%	17.37%	12.71%	10.46%	17.48%
	Individual	5.88%	10.15%	12.23%	21.03%	18.83%	31.88%

Sept 2021	Investor classification / (% to category bucket)	0-1 Month	1-3 Month	3-6 Month	6-12 Month	12-24 Month	>24 Month
Equity	Institutional	6.82%	8.98%	8.15%	41.30%	13.64%	21.11%
	Individual	3.80%	7.68%	6.95%	12.53%	19.88%	49.16%
Non-Equity	Institutional	26.56%	18.98%	12.18%	17.97%	11.07%	13.24%
	Individual	6.26%	8.16%	8.79%	18.83%	26.37%	31.60%

Note: Data as on end of quarter
Source: AMFI, CRISIL Research

Number of fund houses

As of September 2021, there were 41 fund houses (excluding IDFs) having non-zero mutual fund AUM.

Key regulations in MF industry

Over the years, the SEBI has introduced and amended several key regulations.

Fees and expenses are capped as follows:

Scheme expenses, including investment and advisory fees for index fund schemes and ETFs, should not exceed 1% of daily net assets

For other open-ended schemes, apart from fund-of-funds, index fund schemes or ETFs, the expenses are:

AUM slabs	TER limits for equity-oriented schemes	TER limits for other than equity-oriented schemes
On the first ₹ 5,000 million of daily net assets	2.25%	2.00%
On the next ₹ 2,500 million of daily net assets	2.00%	1.75%
On the next ₹ 12,500 million of daily net assets	1.75%	1.50%
On the next ₹ 30,000 million of daily net assets	1.60%	1.35%
On the next ₹ 50,000 million of daily net assets	1.50%	1.25%
On the next ₹ 400,000 million of daily net assets	TER reduction of 0.05% for every increase of ₹ 50,000 million of daily net assets or part thereof	
On balance of assets	1.05%	0.80%

TER: Total expense ratio
Source: SEBI

With these changes, the SEBI allowed fund houses to charge an additional 30 bps in expense ratios on retail AUM to compensate the fund houses on the additional cost required to attract and service clients in these locations. Within these, costs are much higher for retail investors compared with institutional investors. Thus, even the revised decision to eliminate corporate AUMs in the B30 locations with additional expense ratios, will have minimum impact on the industry's profitability.

The SEBI's decision to change to T30 and B30 locations is primarily to increase mutual fund penetration in these locations in a targeted manner. Within the classification, the additional TER of up to 30 bps is applicable if the net inflow from these B30 locations is at least 30% of gross new inflow in the scheme, or 15% of the average AUM year-to-date of the scheme.

Because of the stricter TER regulations, AMCs' fee income, which was growing well in the past, has witnessed some impact. The impact on the regular plans was passed on to the distributors as well. As per the AMFI latest commission report, the commission for smaller IFAs has got significantly impacted post implementation of TER regulations. On the other hand, commission ratio for NDs also witnesses a marginal dip post the implementation of the regulation.

Also, the main reason was that with a larger increase in AUMs, the expenses associated with a scheme decline. Thus, funds with lower AUMs in their schemes normally have higher expenses, and this tapers off as the size of AUMs increases. As a result, fund houses with larger AUMs in their schemes will be in for a larger contraction compared with AMCs with lower AUMs in certain frontline schemes. Thus, the profitability for AMCs, which is a function of volume and margin, will see AMCs with larger schemes more affected in the short term.

Also, the slabs are graded in a manner that the initial ₹ 5,000 million of AUM has 2.25% as TER, and the next ₹ 2,500 million has 2.00% as TER. This means that for the entire ₹ 7,500 million, a TER of 2.00% is not applied, but an effective TER of 2.17% can be applied. Thus, AMCs' effective TER will come down with schemes getting larger, but in principle, for the initial ₹ 5,000 million or ₹ 7,500 million of AUMs of any two schemes, the TER can be similar.

New effective TER rate from April, 2019

(₹ million)	% TER	TER amount	Cumulative AUM	Cumulative TER	Effective TER	Reduction in %
5,000	2.25%	113	5,000	113	2.25%	0.00%
2,500	2.00%	50	7,500	163	2.17%	-0.02%
12,500	1.75%	219	20,000	381	1.91%	-0.01%
30,000	1.60%	480	50,000	861	1.72%	0.09%
50,000	1.50%	750	1,00,000	1,611	1.61%	0.17%
50,000	1.45%	725	1,50,000	2,336	1.56%	0.21%

(₹ million)	% TER	TER amount	Cumulative AUM	Cumulative TER	Effective TER	Reduction in %
50,000	1.40%	700	2,00,000	3,036	1.52%	0.25%
50,000	1.35%	675	2,50,000	3,711	1.48%	0.28%
50,000	1.30%	650	3,00,000	4,361	1.45%	0.31%
50,000	1.25%	625	3,50,000	4,986	1.42%	0.33%
50,000	1.20%	600	4,00,000	5,586	1.40%	0.36%
50,000	1.15%	575	4,50,000	6,161	1.37%	0.39%
50,000	1.10%	550	5,00,000	6,711	1.34%	0.41%
50,000	1.05%	525	5,50,000	7,236	1.32%	0.44%

Note: Illustrative for equity funds
Source: SEBI, CRISIL Research

Key risk and challenges

- Stamp duty on mutual funds
- Downturn or volatility in mutual funds and other market-linked products
- Poor financial literacy in India
- Competition from other financial instruments
- High cost of retail expansion
- Political instability or shift away from the pro-growth policy

Mutual funds distribution industry

Overview of financial distribution Industry in India

Financial product distributors play a critical role in the market ecosystem in India. Today, the average working person, because of inadequate awareness and limited knowledge of various products, requires guidance and handholding in taking decisions. While the proliferation of internet has helped many find answers to their investment questions, a good lot of investors require the personal touch of a friend, philosopher and guide, as it were - to wade through the complex world of investments and arrive at the optimal choice.

The financial distribution industry in India has grown rapidly since the late 1990s with the emergence of private banks, national distributors ("**NDs**"), technology-enabled brokerage platforms and aggregators who have simplified transactional hassles and introduced new products and services to the mass retail, HNI and UHNI clients. Banks offer a major network of financial intermediation in the country through their branches. Several private sector banks have created verticals offering wealth management services. NDs and stock brokers also offer services such as execution of trades, account administration, in-depth investment research and custodian services. Typically, Independent financial advisors ("**IFAs**") and insurance agents cater to retail investors. Some of the larger advisors and agents have regionally expanded. In the insurance space, the bancassurance model has evolved in the last couple of decades and worked well with LIC and private insurers. In recent years, with the advent of superior internet and mobile services, several online portals/ online channels of distribution have come up for catering to the needs of retail investors. The new age models, though, requires a greater proportion of investors to be financially aware and internet savvy.

Snapshot of distribution landscape

Distributors segment	Sub-Category	Products	Geographical Reach	Target segment
Banks	Foreign Banks	Mutual funds, Insurance, structured products, PMS, AIFs	Select locations restricted to Tier I and II cities	UHNI, HNI
	Private Banks	Mutual funds, Insurance, structured products, PMS, AIFs	Select locations restricted to Tier I and II cities	UHNI, HNI, mass affluent
	PSU Banks	Mutual funds, Insurance	Across the country	Retail

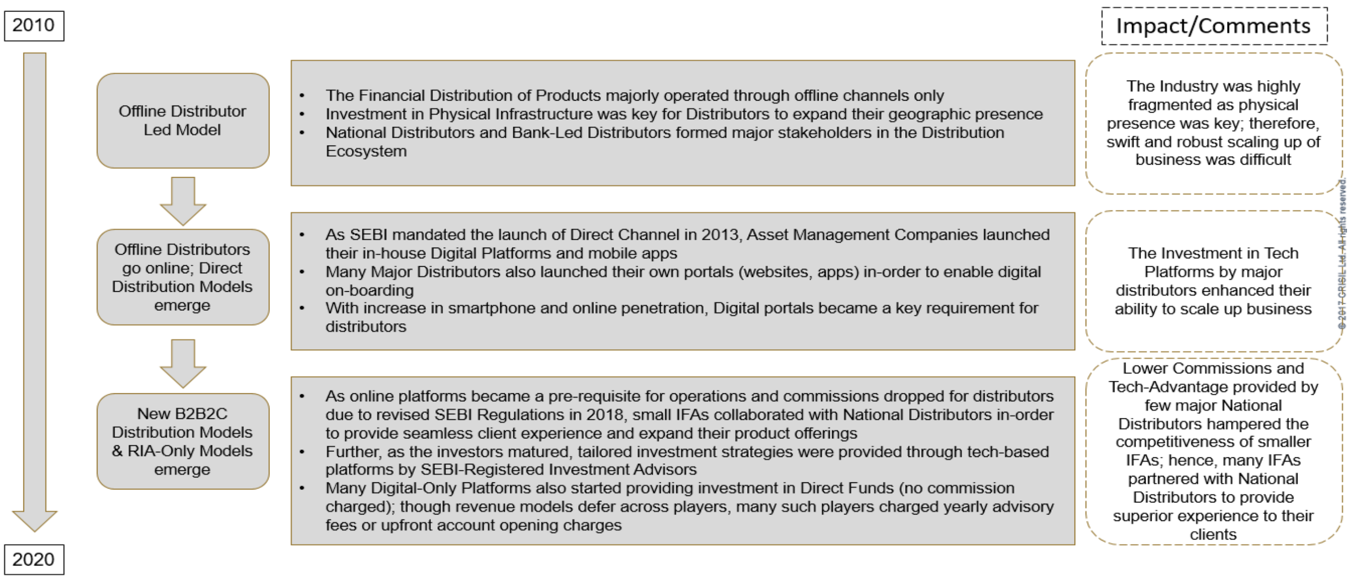
Distributors segment	Sub-Category	Products	Geographical Reach	Target segment
National Distributors	NDs – private wealth	Mutual funds, insurance, structured products, PMS, AIFs, corporate deposits	Select locations restricted to Tier I and II cities	HNI, mass affluent
	Retail focused NDs	Mutual funds, insurance, corporate deposits	Across the country	Mass affluent and Retail
IFAs	Distributor IFAs	Mutual funds, Insurance, corporate deposits	The category is spread across the country with individuals having presence in small pockets in cities	Mass affluent and retail
	Large/Evolved IFAs & Financial planners	Mutual funds, Insurance, corporate deposits	The category is spread across the country with individuals having presence in small pockets in cities	HNI and mass affluent
	Tied agents	Insurance	The category is spread across the country with individuals having presence in small pockets in cities	Retail

Source: CRISIL Research

<u>Evolution of mutual fund distribution channels</u>

The disruption in the overall financial Industry including the intermediaries has led to players re-imagining their business models for the long-term growth. The players across the distribution space are re-aligning their business models by leveraging technology and thereby enhancing operational efficiency. The standalone offline-led distributor model is no longer a viable model for the distributors due to rationalisation of commissions in the mutual fund Industry. Therefore, the players have already undertaken investments in technology to streamline their cost structures and ensure profitable business growth.

New Distribution Channels emerged in the Industry over the last few years



Mutual funds distributors AAUM has doubled in past 6 years

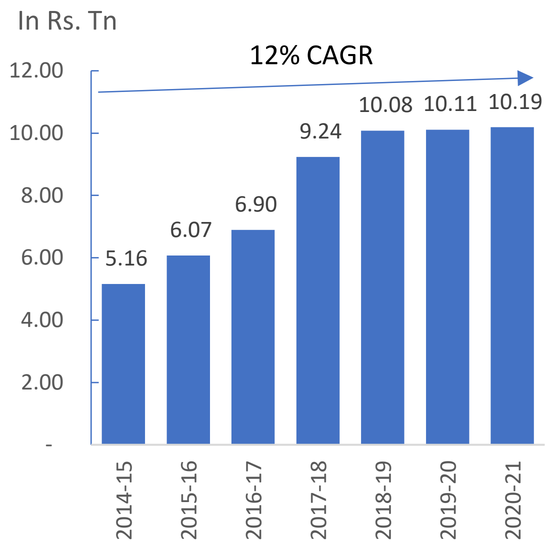
Mutual funds distributors average AUM witnessed a healthy growth of ~12% CAGR over fiscal 2015 to fiscal 2021 and touched ₹ 10.19 trillion in fiscal 2021. So far, banks and NDs have dominated the mutual fund distribution industry, together accounting for ₹ 6.55 trillion of average AUM, as per AMFI's Commission Report of 2020-21.

Among banks, State Bank of India, HDFC Bank, Axis Bank, ICICI Bank, Kotak Mahindra Bank, Citibank, HSBC Bank and Standard Chartered Bank are some of the top players in terms of AAUM. Among NDs, NJ India Invest Private Limited, ICICI Securities, Prudent Corporate Advisory Services Limited, IIFL Wealth Finance Limited and SPA Capital Services Limited are among the high rankers.

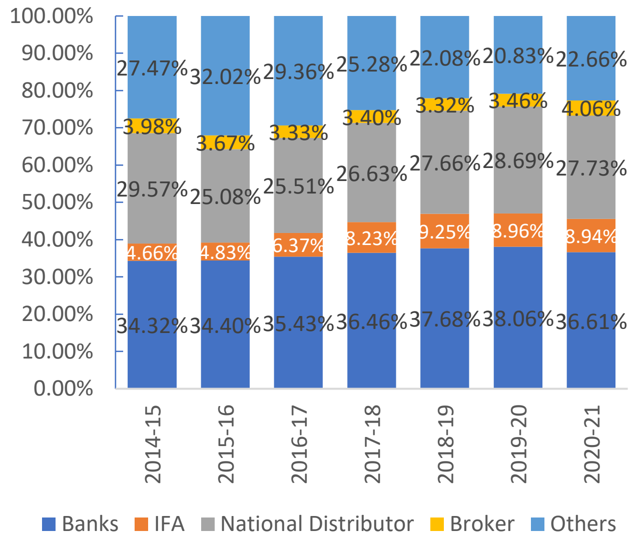
NDs, which cater to UHNIs, HNIs, the retail segment (depending on business positioning), as well as corporate clients, have seen the gross inflows – at ₹ 3.57 trillion, second highest amongst distributors categories, during 2020-21 as per AMFI. The widespread network, aggressive marketing and adoption of technology-based platforms that have eased the on-boarding and investment process have helped banks and NDs garner immense AUM.

Global note: The AAUM and Commission data for the distributors in the report is based on yearly commission reports released by AMFI.

Distributors AAUM recorded a 12% CAGR over FY15-FY21



Share of IFAs has doubled in past 6 years

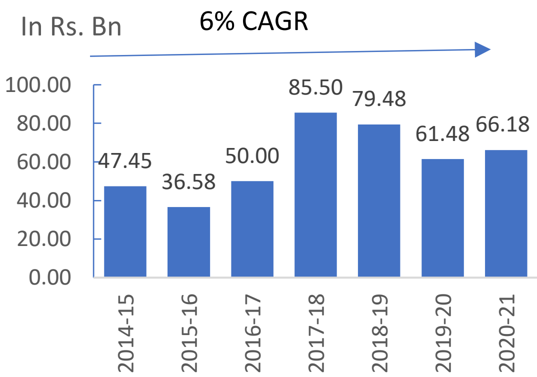


Source: AMFI, CRISIL Research

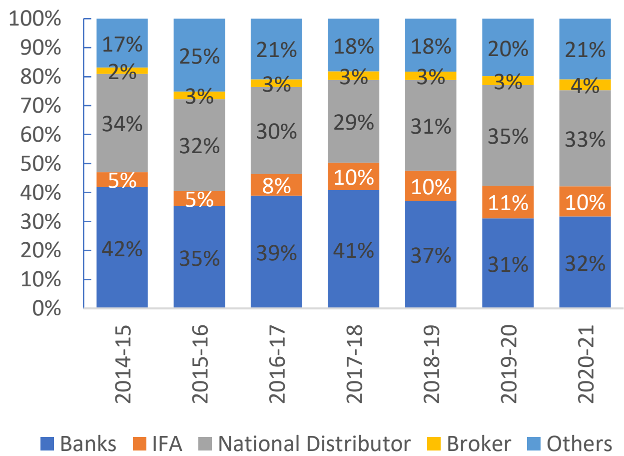
Corporate investors have adopted the direct channel as a route for investing, mainly for parking money in debt funds. IFAs, which primarily cater to retail investors, have continued to steadily increase their AUM share. Due to their personal touch, they are able to gain their clients' trust and guide them through the investing process. With the introduction of web-based platforms and software, IFAs are now finding it more convenient to cater to retail investors and also strengthen their roots in smaller geographies.

Revenues from mutual fund distribution have grown, but at a slower pace than AUM growth

Distributors Commission grew at 6% CAGR over FY15-FY21



Marginal decline in share of NDs in distributors commission breakup in FY21



Source: AMFI, CRISIL Research

As per AMFI data, the gross commission paid to distributors increased to ₹ 66.18 billion in fiscal 2021 as compared to ₹ 61.48 billion in fiscal 2020. However the commission had decline in FY20 to ₹ 61.48 billion as compared to ₹ 79.48 billion in FY19. The decline in overall commission for the top MF distributors can be attributed to regulatory changes related to expense ratio and volatile market conditions towards the end of the year due to Covid-19 pandemic.

CRISIL's analysis of commission earned by mutual fund distributors indicates two important trends – the rising share of NDs and IFAs in the distribution pie and increasing consolidation of market shares amongst the larger players. Share of NDs witnessed an increase of 4.58 percentage points in fiscal 2021 as compared to fiscal 2018. IFAs posted a highest increase in their share amongst all categories. The share of IFAs have increased to ~10% in fiscal 2021 from 5% in fiscal 2015. On the other hand, share of banks have declined sharply (down by ~10 percentage points) over past 6 years. The increase in the share of NDs and IFAs in mutual funds distribution income is a reflection of growing dispersion in the investor base, with a large number of retail investors coming from smaller cities, and the increasing presence of investors who require guidance and support to make their investment choices from a wide range of products.

(^) Top mutual funds distributors, as defined by SEBI, are those that meet one of the following criteria:

- *Multiple points of presence*
- *AUM raised over ₹ 100 crore across industry in the non-institutional category but including HNIs*
- *Commission received of over ₹ 1 crore per annum across industry*
- *Commission received of over ₹ 50 lakh from a single fund house*

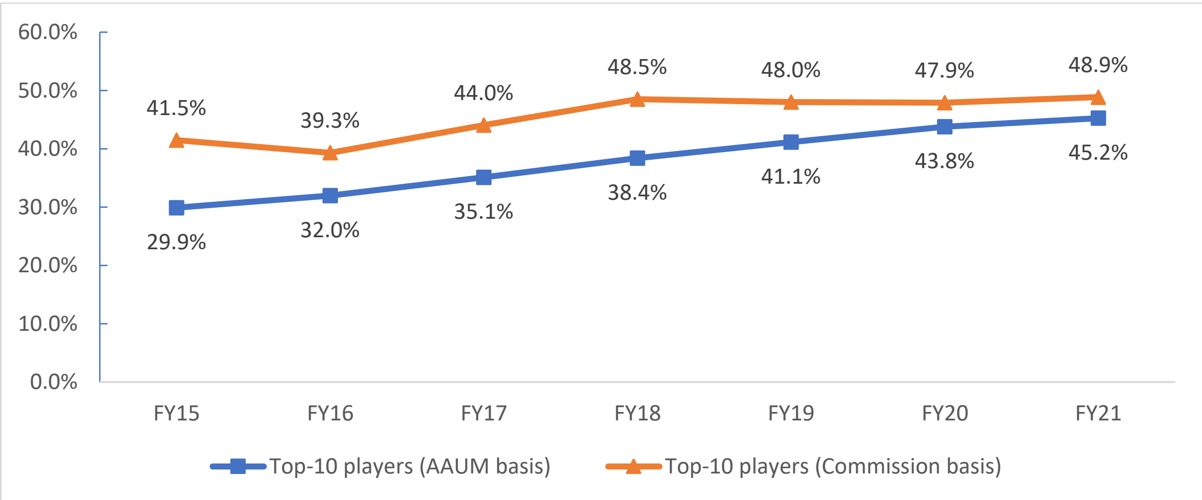
Top 10 mutual fund distributors account for close to 50% of industry commissions

Based on AMFI commission data, 1,087 distributors collected aggregate commissions of ₹ 66.18 billion on average AUM of ₹ 10 trillion in fiscal 2021. The top 10 distributors accounted for as much as 49% of total commissions for the industry as of fiscal 2021. Over the years, the share of these distributors in the commission has been increasing, indicating increasing gravitation of market shares towards distributors with a wider, well-entrenched network and offering ease of investing through the requisite technological platforms.

The market share of the top 10 players (on commission basis) in the mutual fund distribution industry increased from 41.5% in fiscal 2015 to 48.9% in fiscal 2021.During six year ending fiscal 2021, among the top 10 players, Prudent Corporate Advisory Services Limited ("**Prudent Corporate**") was the second fastest growing player recording growth of 24.7% CAGR.

The market share of the top 10 players (on AAUM basis) increased from 29.1% in fiscal 2016 to 45.2% in fiscal 2021. Among the top 10 players, SBI was the fastest growing player on AAUM basis recording 49.4% CAGR increase in AAUM during the five-year period ending fiscal 2021, followed by Prudent Corporate with 32.5% CAGR.

Trend in Market Share of Top 10 Players (Commission Paid and AAUM basis)



Source: AMFI, CRISIL Research

Note: Top 10 Players on AAUM basis include SBI, NJ India Invest Pvt ltd ("**NJ India Invest**"), HDFC Bank Limited

("**HDFC Bank**"), Axis Bank Limited ("**Axis Bank**"), ICICI Bank Limited ("**ICICI Bank**"), ICICI Securities Limited ("**ICICI Securities**"), Kotak Mahindra Bank Limited ("**Kotak Mahindra Bank**"), Prudent Corporate, IIFL Wealth Finance Limited ("**IIFL Wealth**"), CitiBank Ltd ("**Citi Bank**")

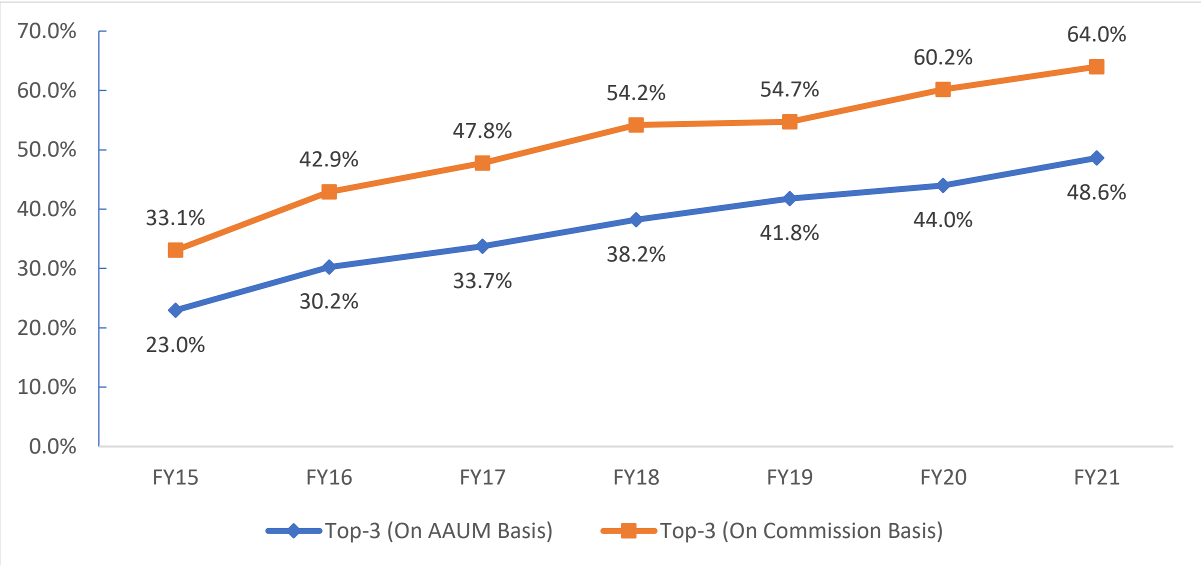
Top 10 Players on Commission basis include, NJ India Invest, SBI, Axis Bank, HDFC Bank, ICICI Securities, Prudent Corporate, ICICI Bank, Kotak Mahindra Bank, Citi Bank, Anand Rathi Wealth Services Limited ("**Anand Rathi Wealth**")

The gain in market share for the top 5 banks within the banking channel further re-iterates the consolidation trend with market share increasing from 54.8% in fiscal 2015 to 74.7% (on AAUM basis) in fiscal 2021. Further, the share in total commission for the top 5 banks increased from 60.6% to 77.4%. The top 5 banks considered above include Axis Bank, SBI, HDFC Bank, ICICI Bank, Kotak Mahindra Bank

Consolidation also witnessed among National Distributors

With rationalisation in commission structure and technological disruption, the market share of top 3 National Distributors ("**NDs**") (non-bank) increased substantially during fiscal 2015 to fiscal 2021. Within the ND channel, the market share of top 3 NDs increasing from 23.0% in fiscal 2015 to 48.6% in fiscal 2021 on AAUM basis. Also, on commission market share increased from 33.1% in fiscal 2015 to 64.0% in fiscal 2021. On commission basis top-3 NDs have gained significant market share in last 6 years. NJ India Invest has increased its market share to ~40% in fiscal 2021 from 19% in fiscal 2015. The second largest NDs (on commission basis as of fiscal 2021), ICICI Securities Limited has manged to increase its share from ~10% in fiscal 2015 to ~12% in fiscal 2021. The market share for Prudent Corporate Advisory Services Limited has increased from just ~4% in fiscal 2015 to ~12% in fiscal 2021.

Trend in Share of Top 3 NDs within the segment



Note: Top 3 NDs considered above are NJ India Invest, ICICI Securities, Prudent Corporate, CRISIL Research has only considered non-banking National Distributors
Source: AMFI, CRISIL Research

NJ India Invest and Prudent Corporate are the two largest National Distributors in the country

NJ India Invest recorded AAUM of ₹ 770.0 Billion in fiscal 2021, followed by ICICI Securities with AAUM of ₹ 355.2 Billion. Prudent Corporate was the second largest National Distributor amongst non-banking and non-broking NDs, with AAUM of 249.1 Billion. The commission as % of AAUM was highest for NJ India Invest at 1.13% followed by Prudent Corporate at 1.06% as of Fiscal 2021.

Among various asset classes, equity as an asset class has higher expense ratio and consequently higher earning for distributors. Commission to AAUM ratio for Prudent Corporate for fiscal 2021 was 1.06% which is significantly higher than industry average of 0.65% for Fiscal 2021. This is primarily due to higher mix of Equity AUM (88%) in Total AUM.

Prudent Corporate is the 8th largest player in the industry on AAUM basis as of fiscal 2021 and 6th largest on Commission Earned Basis. Further, Prudent Corporate is the second largest National Distributor in the industry on AAUM as well as commission earned basis.

Company	Category	Market cap^ (₹ Billion)	AAUM (₹ Billion) – Fiscal 2021	Commission (₹ Billion) – Fiscal 2021	Commission as % of AAUM – Fiscal 2021	Ranking by AAUM in Fiscal 2021*	Ranking by Commission Earned in Fiscal 2021*
NJ India Invest	National Distributor	NA	770.0	8.74	1.1%	2	1
ICICI Securities	Broker – National Distributor	249.1	355.2	2.64	0.7%	6	5
Prudent Corporate	National Distributor	NA	249.1	2.63	1.1%	8	6
Anand Rathi Wealth	National Distributor	NA	111.3	0.99	0.9%	16	10
IIFL Wealth Management	National Distributor	134.9	47.0	0.22	0.5%	36	35
Bajaj Capital	National Distributor	NA	90.9	0.65	0.7%	21	16
JM Financial Services	Broker	75.7	107.6	0.59	0.5%	17	18

** Ranking compared to all MF distributors*
Source: AMFI, CRISIL Research

NJ India Invest enjoyed the highest market share among the players in the set with 4.4% market share on AAUM basis as Fiscal 2021 and 14.0% market share on commission basis. Prudent Corporate was the second largest National Distributor as of fiscal 2021 with market share of 1.4% on AAUM basis and 4.2% market share on commission basis. Further, Prudent Corporate improved its market share on commission basis by 2.6 percentage points over the last 5 years ending fiscal 2021. NJ India Invest saw its market share increase by a wider margin over the same period.

Market share trend of players on AAUM basis

Company	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021
NJ India Invest	2.9%	2.9%	3.7%	4.3%	5.3%	4.4%
ICICI Securities	1.9%	1.9%	2.2%	2.4%	2.5%	2.0%
Prudent Corporate	0.7%	0.8%	1.0%	1.3%	1.7%	1.4%
Anand Rathi Wealth	n.a	n.a	0.7%	0.8%	1.0%	0.6%
IIFL Wealth Management	3.2%	2.4%	2.3%	2.1%	1.4%	0.3%
Bajaj Capital	0.8%	0.7%	0.7%	0.7%	0.7%	0.5%
JM Financial Services	2.0%	1.4%	1.2%	0.8%	0.8%	0.6%

Source: AMFI, CRISIL Research
Note: n.a = data not available; Data for Anand Rathi Wealth is not available before Fiscal 2018; above market share of peers is based *on AAUM from MF business only*

Market Share of Players on Commission basis

Company	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021
NJ India Invest	8.9%	8.9%	9.2%	10.2%	12.6%	14.0%
ICICI Securities	3.0%	3.5%	3.7%	4.0%	4.5%	4.3%
Prudent Corporate	1.6%	2.0%	2.5%	3.0%	3.7%	4.2%
Anand Rathi Wealth	n.a	n.a	1.1%	1.5%	1.9%	1.6%
IIFL Wealth	3.9%	3.1%	2.0%	2.2%	1.6%	0.4%

Company	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021
Management						
Bajaj Capital	1.3%	1.3%	1.2%	1.2%	1.2%	1.1%
JM Financial Services	1.5%	1.2%	0.9%	0.8%	0.8%	0.9%

Source: AMFI, CRISIL Research
Note: n.a = data not available; Data for Anand Rathi Wealth is not available before Fiscal 2018; above market share of peers is based *on AAUM from MF business only*

Prudent Corporate fastest growing player in the set on 3-Year and 5-Year CAGR Basis

Amongst the peers considered, Prudent Corporate has seen the strongest growth in commission as well as AAUM terms in the last few years. The AAUM and Commission for Prudent Corporate grew at 32.5% and 34.4% on CAGR basis during 5-Year ending fiscal 2021. During 3-year period ending fiscal 2021, AAUM and commission growth for Prudent Corporate was 21.2% CAGR and 6.5% CAGR respectively. NJ India Invest was the second fastest growing player on AAUM as well as commission basis. The 5-Year average of commission as % of AAUM was highest for NJ India Invest followed by Prudent Corporate

Trend in 5-Year Player Performance of AAUM and commission paid

Company	AAUM (5-Year CAGR Ending Fiscal 2021)	Commission (5-Year CAGR Ending Fiscal 2021)	5-Year Average ending fiscal 2021 (Commission as % of AAUM)
NJ India Invest	26.3%	21.8%	1.3%
ICICI Securities	17.3%	18.9%	0.9%
Prudent Corporate	32.5%	34.4%	1.2%
Anand Rathi Wealth[1]	n.a	n.a	n.a
IIFL Wealth Management	-29.1%	-31.2%	0.6%
Bajaj Capital	6.4%	6.4%	0.8%
JM Financial Services	-8.2%	2.1%	0.5%

Source: Company Filings, CRISIL Research
Note: Data for Anand Rathi Wealth is not available before Fiscal 2018; n.a = data not available; *the above data for peers constitutes the AAUM and Commission earned from the MF business only*

Trend in 3-Year Players Performance of AAUM and Commission Paid

Company	AAUM (3-Year CAGR Ending Fiscal 2021)	Commission (3-Year CAGR Ending Fiscal 2021)	3-Year Average ending fiscal 2021(Commission as % of AAUM)
NJ India Invest	15.4%	3.6%	1.2%
ICICI Securities	6.0%	-5.8%	0.8%
Prudent Corporate	21.2%	6.5%	1.1%
Anand Rathi Wealth[1]	7.4%	0.4%	1.0%
IIFL Wealth Management	-46.6%	-49.8%	0.5%
Bajaj Capital	-3.0%	-13.4%	0.8%
JM Financial Services	-12.4%	-9.2%	0.5%

Note: The above data for peers constitutes the AAUM and Commission earned from the MF business only
Source: Company Filings, CRISIL Research

NJ India Invest and Prudent Corporate have the largest partner network in the Financial Distribution Industry

The leading financial distribution players strive to empanel the partners on their network in-order to propel business growth. NJ India Invest and Prudent Corporate have the strongest partner network amongst the players assessed, followed by ICICI Securities.

MF Commission per partner is highest for ICICI Securities followed by NJ India Invest and Prudent Corporate. Number of Partners per Branch is highest for NJ India Invest followed by Prudent Corporate. NJ IndiaInvest and Prudent Corporate account for 18.0% and 17.5% share respectively of total industry ARN, as of September, 2021.

Prudent Corporate and NJ India Invest have more granular portfolio with high retail participation

Players such as ICICI Securities, IIFL Wealth Management and JM Financial, which also have presence in other segments such broking & wealth management, have clientele with significantly higher ticket sizes which is likely on account of HNI and UHNI clients in their portfolio. On the other hand, Prudent Corporate and NJ India Invest have cultivated a presence in more locations/geographies through extensive partner network and have a more granular portfolio with significantly higher retail clientele.

Company	Partners/Branch	Number of Mutual Fund Clients	MF Commission Per Client	AAUM Per Client – (in 000's)
NJ India Invest	227.3	1,933,591	4,520	398
ICICI Securities#	54.7	32,000	82,634	11,103
Prudent Corporate	189.5	792,540	3,318	314
Anand Rathi Wealth	n.a	n.a	n.a	n.a
IIFL Wealth Management	n.a	n.a	n.a	n.a
Bajaj Capital[1]	n.a	n.a	n.a	n.a
JM Financial Services	93.3	n.a	n.a	n.a

Source: Company Filings, Company website, CRISIL Research
n.a = data not available; # ICICI Securities reported clientele is for its overall wealth management portfolio as of Fiscal 2020; Above set of ratios for the companies are calculated based on latest data reported by respective companies on their official website

NJ India Invest and Prudent Corporate – Majorly focussed on mutual fund distribution

Among the top ten players in the mutual fund distribution segment, only NJ India Invest and Prudent Corporate generate more than 90% of their overall revenue from mutual fund distribution. ICICI Securities is the largest player operating in the mutual fund distribution space followed by NJ India Invest among the players considered in the sample.

Financial Parameters (Fiscal 2021)

Company	Revenue (₹ Million)	Mutual Fund Commission as % of Revenue	EBITDA Margin (%)	PAT Margin (%)
NJ India Invest	9,735.1	89.8%	27.6%	20.2%
ICICI Securities	25,861.7	10.2%	47.5%	41.4%
Prudent Corporate	2,949.0	89.2%	23.8%	15.4%
Anand Rathi Wealth	2,792.5	35.5%	29.9%	16.0%
IIFL Wealth Management	16,590.2	1.3%	56.7%	22.3%
Bajaj Capital *	3,256.4	22.1%	-2.2%	-3.4%
JM Financial Services	6,056.3	9.7%	33.4%	12.1%

Source: Company Filings, CRISIL Research
Note: Above ratios are based on consolidated numbers reported by companies; (*) Financials are as of Fiscal 2020

ICICI Securities posted the fastest revenue growth during 4 year period followed by Prudent Corporate

ICICI Securities was the fastest growing player (among players in the set) with 11.6% CAGR revenue growth during the 4-Year period ending fiscal 2021 followed by Prudent Corporate which recorded 8.4% CAGR revenue growth during the same period. Employee Cost as % of Revenue (3-Year Average) was the lowest for NJ India Invest followed by Prudent Corporate. EBITDA margin though was the highest for IIFL Wealth Management followed by ICICI Securities.

Peer comparison basis different financial metrics

Company	Revenue (4-Year CAGR ending Fiscal 2021)	Operating Margin (%) – 3 Year Average Ending Fiscal 2021	PAT Margin (–) - 3 Year Average Ending Fiscal 2021	Employee Cost as % of Revenue - 3 Year Average Ending Fiscal 2021
NJ India Invest	3.4%	22.3%	15.1%	16.7%
ICICI Securities	11.6%	39.8%	33.6%	28.6%
Prudent Corporate	8.4%	20.4%	12.4%	19.5%
Anand Rathi Wealth	7.7%	32.1%	18.3%	50.1%
IIFL Wealth Management	-1.1%	57.9%	19.7%	23.3%

Bajaj Capital *	23.5%	1.8%	-0.7%	33.8%
JM Financial Services ^	1.7%	25.7%	5.6%	34.8%

Source: Company Filings, CRISIL Research
*Note: Based on consolidated numbers; *Financials are as of Fiscal 2020; Margins calculated for period between Fiscal 2019 and Fiscal 2021; (^) Margins and CAGR are based on standalone numbers; N.a means data not available*

Performance ranking of Prudent Corporate Advisory Services Limited amongst all distributors

As per CAMS data, Prudent Corporate is one of the largest retail wealth management service group (excluding banks) in India in terms of average asset under management.

Prudent Corporate has improved its rank from fifth as of March 2017 to fourth as of September 2021 in terms of transactions for aggregate of all funds. In terms of retail segment, Prudent Corporate ranked third in respect of closing assets and 4 in respect of transaction as of September 2021.

Rank of Prudent has improved in Transaction and Closing Assets by aggregate of all funds

Ranking by aggregate of all funds	*March 2017*	*March 2018*	*March 2019*	*March 2020*	*March 2021*	*September 2021*
Transaction	*5*	*5*	*4*	*3*	*3*	*4*

Note: Above data is for CAMS related Funds/AMCs only.
Source: CAMS, CRISIL Research

Prudent has improved its ranking in Retail investor segment

Ranking by investor segment	March 2017	March 2018	March 2019	March 2020	March 2021*	September 2021*
Retail 1						
Transaction	4	3	3	3	3	4
Folio	8	7	4	5	4	5
Closing Assets	5	4	4	3	3	3
Retail 5						
Transaction	5	5	4	3	3	4
Folio	8	6	6	5	4	5
Closing Assets	6	6	6	5	3	3

Note: 1. Above data is for CAMS related Funds/AMCs only
2. Above figures are based on performance and AUM for March
3. Retail 1 = Less than 1 Lakh; Retail 5 = Above 1 Lakh & below 5 Lakhs
4. (*) Retail 1 & Retail 5 segments are clubbed for FY21 & September 2021 and therefore, the ranking is the same
Source: CAMS, CRISIL Research

Prudent ranks 3rd in ELSS; has improved its rank across scheme types like Balanced, Equity (G) and ELSS

Prudent has improved its rank across different scheme types like Balance, Equity (G) and ELSS from 9, 10 and 7 respectively as of March 2017 to 5, 6 and 3 as of March 2020. As of March 2021, within Equity, Prudent ranked better in schemes like Value Fund/ Contra Fund, Small Cap, Mid Cap and Multi Cap Funds.

Ranking by scheme type – based on Closing Assets	March 2017	March 2018	March 2019	March 2020
Balanced	9	8	6	5
Equity (G)	10	8	7	6
ELSS	7	5	4	3

Note: Above data is for CAMS related Funds/AMCs only;
Source: CAMS, CRISIL Research

Ranking by scheme ty–e - based on Closing Assets as of March 2021 and September 2021 Ranking by scheme type - based on Closing Assets as of March 2021

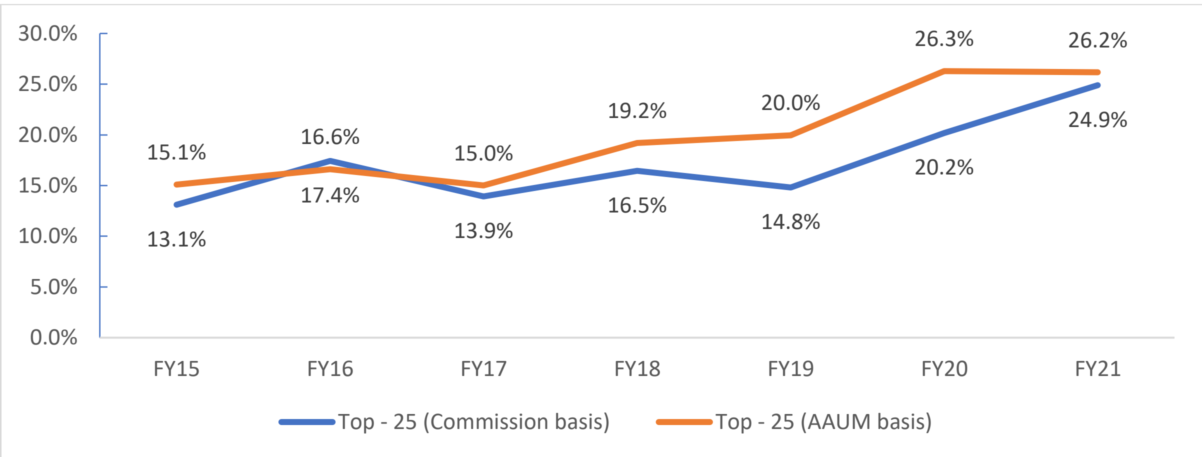
Scheme type	Scheme name	March 2021	September 2021
Balanced	Balanced Hybrid Fund/ Aggressive	4	4
	Dynamic Asset Allocation/ Balance	4	5
Equity	Dividend Yield Fund	8	7
	Equity OtheI(C)	6	8
	Flexi Cap Fund	6	7
	Focused Fund	6	9
	Large & Mid Cap Fund	5	4
	Large Cap Fund	7	7
	Mid Cap Fund	4	5
	Multi Cap Fund	4	5
	Sectoral/Thematic Funds	7	8
	Small Cap Fund	4	2
	Value Fund/Contra Fund	3	3
ELSS	ELSS	3	3
ISS (C)		16	16

Note: Above data is for CAMS related Funds/AMCs only;
Source: CAMS, CRISIL Research

Consolidation further accentuated among the IFAs due to rationalising commission structures

The market share of top 25 IFAs in the Industry has also increased from 15.1% in fiscal 2015 to 26.2% in fiscal 2021 on AAUM basis. Further, on commission basis, their cumulative market share increased to 24.9% in FY21 from 13.1% in FY15.

Trend in Market Share of Top 25 IFAs



Source: AMFI, CRISIL Research

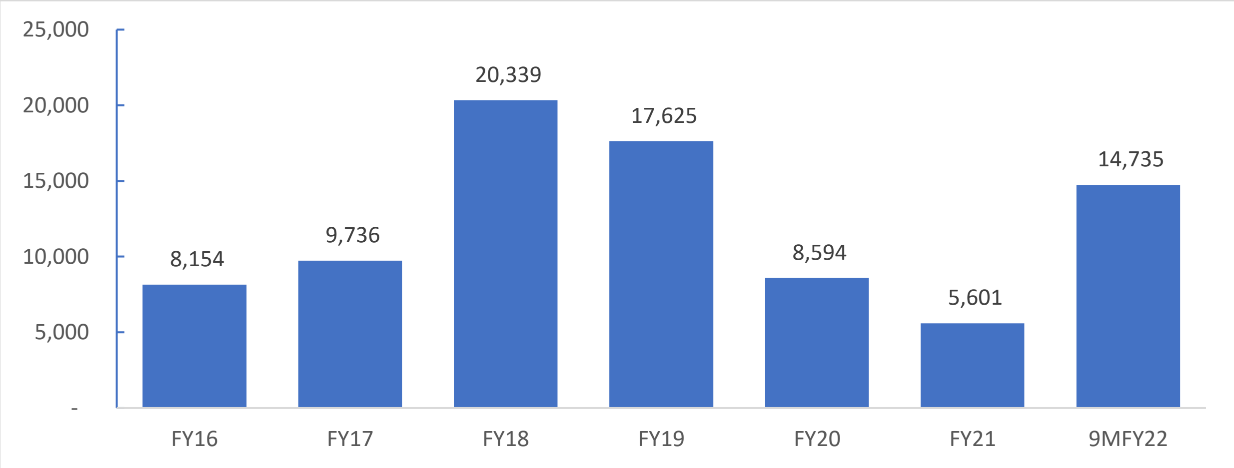
In October 2018, SEBI had barred AMCs to provide any upfront commission to mutual fund distributors. The move was introduced in a bid to encourage trail model of commission. However, as an exception SEBI allowed collection of upfront commission for SIP flows, of upto 1% of yearly commission for a maximum period of 3 years. Further, in September 2018, SEBI further rationalised the Total Expense Ratio charged by the AMCs. The same was applicable from April 1, 2019.

In 2018, the SEBI issued revised terms and definitions, changing key geographical classifications from T15 cities and B15 cities to T30 and B30, respectively, related to charging of additional expenses of up to 0.3% on daily net assets of the scheme. Furthermore, during this year SEBI has also issued guidelines related to trail commission model and banned upfront commission and defined cost structure for direct plans.

In case of mutual fund schemes, including closed-end schemes, where exit load is not levied, AMCs will not be eligible to charge expenses to the scheme of up to 0.20% of the daily net assets. This additional expense, earlier allowed, was reviewed in 2018 on the basis of actual exit load credited back to the schemes, and was reduced to 5 bps.

The ban on upfront commission and drop in commissions paid by the AMCs has had substantial impact, especially on the small IFAs, as sustainability on previous cost structures became a challenge for the players. The move triggered consolidation in the industry and has also led to lower individual ARN registrations from fiscal 2019 onwards. The new individual ARN registrations plummeted by 51% on-year in fiscal 2020 and a further 35% on-year in fiscal 2021. As on December 30, 2021, there are 1.26 lakh ARN holders registered with AMFI.

Improvement in Registration for new Individual ARN post FY 21



Source: AMFI, CRISIL Research

Further, these changes have accelerated the need for small IFAs to invest in digital platforms, so as to reduce costs and also serve their clientele in a much more efficient manner. Since most IFAs do not have the financial wherewithal to undertake such investments on their own, they have collaborating with NDs with digital platforms to support their business. The collaboration negates the need for small IFAs to invest in technology on their own and also provides them access the entire product portfolio of ND. Few large NDs such as NJ IndiaInvest and Prudent Corporate Advisory Services Limited have managed to on-board significant number of IFAs through their digital platforms. IFAs have also collaborated with stock exchange platforms for executing their transactions to cut down their costs.

NDs and IFAs have relatively higher commissions as proportion of AAUM

IFAs and National distributors have relatively higher commissions to AAUM amongst all distributors' categories over the years. This can be largely attributed to them offering value added services such as personalized portfolio construction, customized client dashboard and the close connect they have with their customers leading to better customer experience. Also, there is a wide variation in the commission structure within the players of same category depending on the bargaining power and the operational asset class of the player. For e.g., commission to average AAUM ratio for NJ Indiainvest and Prudent Corporate in Fiscal 2021 was 1.13% and 1.06% respectively, which is much higher than average of other NDs (0.58%) in the category.

IFAs and National distributors have highest commission to AAUM ratio

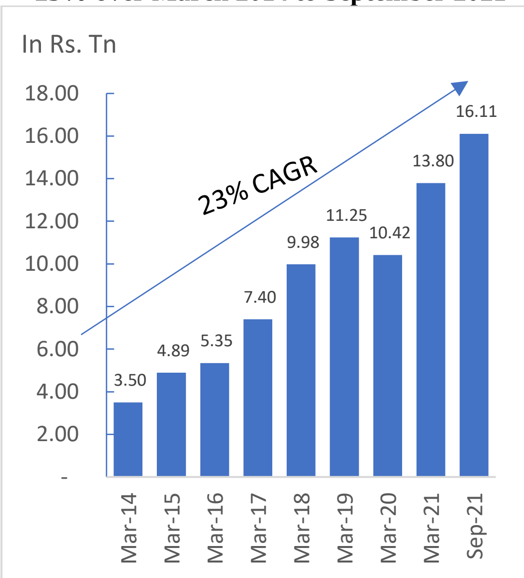
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Banks	1.12%	0.62%	0.80%	1.04%	0.78%	0.50%	0.56%
IFA	1.01%	0.65%	0.86%	1.07%	0.88%	0.77%	0.76%
National Distributor	1.05%	0.76%	0.85%	0.99%	0.89%	0.74%	0.77%
Broker	0.50%	0.44%	0.59%	0.82%	0.69%	0.53%	0.62%
Others	0.57%	0.47%	0.52%	0.66%	0.65%	0.58%	0.60%
Industry	0.92%	0.60%	0.72%	0.93%	0.79%	0.61%	0.65%

Source: AMFI, CRISIL Research

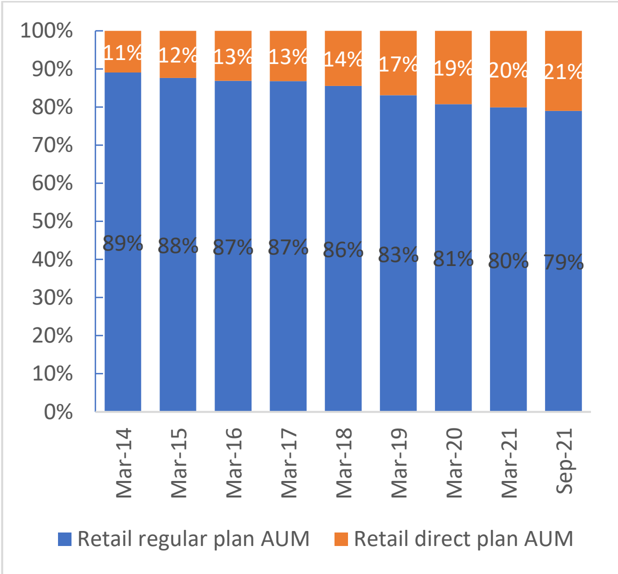
Regular plans account for lion's share in retail MF AUM

In September 2012, the SEBI mandated mutual fund houses to offer products through the direct route alongside distributors. Asset managers launched a slew of direct plan offerings from January 2013. Consequently, retail AUMs of direct plans grew at CAGR of 35.82% between March 2014 and September 2021. While direct plans' share in retail has been increasing, regular plans still account for a lion's share of retail MF AUM. Given the trend in the industry such as increasing presence of first-time investors, popularity of MFs beyond larger cities, low awareness of nuances of financial products amongst a large section of investors and need for guidance from a trusted intermediary in the wake of increasing market volatility, CRISIL Research believes regular plans will continue to constitute a majority share in the retail MF AUM.

Retail regular plan MAAUM grew at CAGR of 23% over March 2014 to September 2021



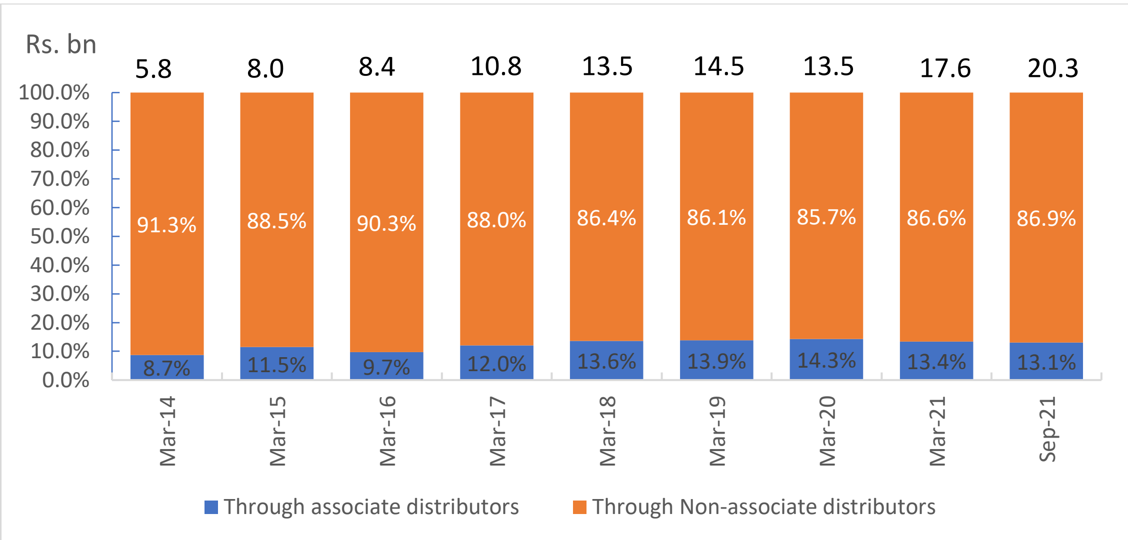
Regular plans accounts for lion share of retail mutual funds MAAUM



Note: Based on monthly average AUM
Source: AMFI, CRISIL Research

The share of associate distributors in regular AUM witnessed an increase of ~5 percentage points over last 7 years. The share has improved to 13.1% as of September 2021 from 8.73% as of March 2014.

AUM derived through associate distributors posted a CAGR of 24.7% in between March 2014 to September 2021



CAGR (Mar-14 – Mar-21)
16.20%
24.52%

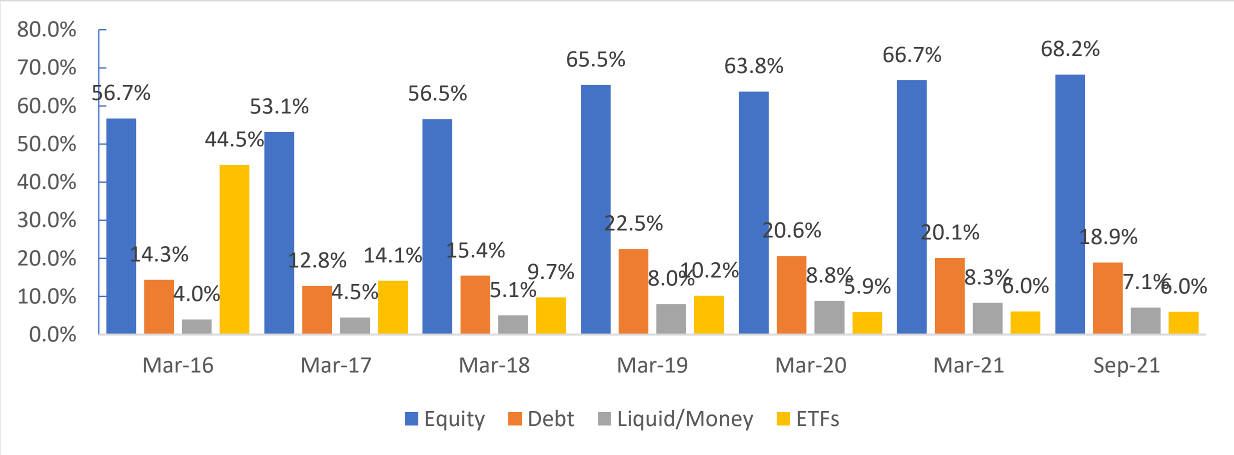
Note: Based on monthly average AUM
Source: AMFI, CRISIL Research

Individual investors hold lion's share in equity funds under regular plans

Individual AUMs have a higher concentration in equity funds, while institutional AUMs have a higher concentration in non-equity and other funds. Higher proportion of the investment from institutions is through direct plans and that of individual investors, through regular plans. Thus, for equity funds, AMCs depend on distributors and partners for acquiring retail customers and garnering larger amount of assets. In equity AUM, the share of Individual AUM under >24-month bucket witnessed a sharp increase of 8 percentage points from March 2016 to September 2021, which indicates significant revenue potential for MF distributors to generate recurring revenue as individuals would largely continue to depend on them for routing their investments. Corporates undertake investment decisions in liquid and debt categories of funds, and funds flow via direct plans.

As per AMFI data, individual investors posted an increasing trend in equity funds under both direct and regular plans. Under direct equity plans, the share of individual investors has increased to 68.2% as of September 2021 as compared to 56.7% as of March 2016.

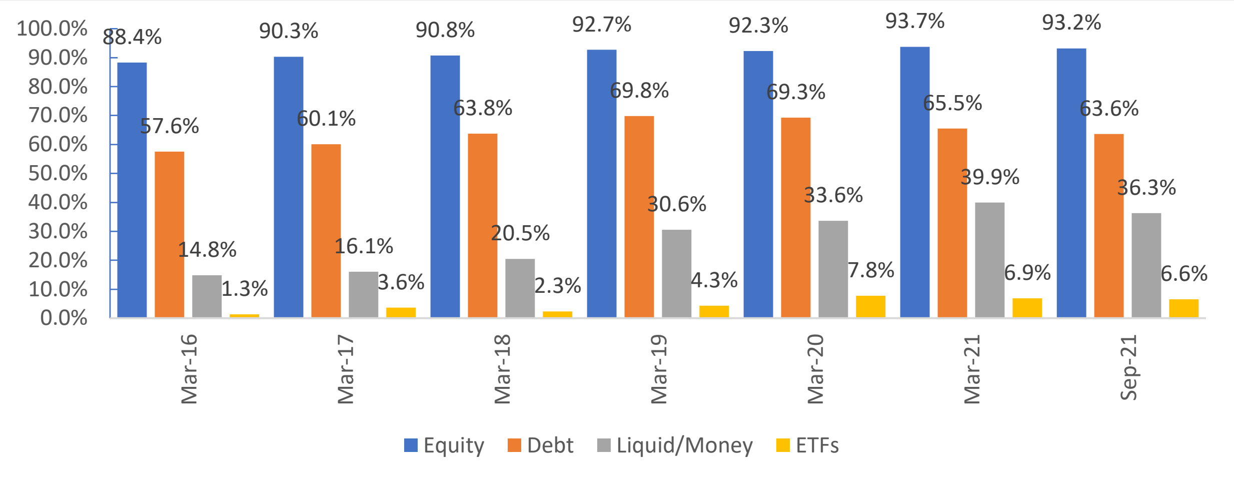
Category wise share of individual investors in Direct plans



Note: Based on monthly average AUM.
Source: AMFI, CRISIL Research

In case of regular equity plans too, the share of individual investors witnessed an increase of ~5 percentage points and reached to 93.2% as of September 2021 as compared to 88.4% as of March 2016. Liquid/money market funds also posted significant improvement in the share of individual investors under regular plans. The share of individual investors in liquid/money market funds under regular plans has improved to 36.3% in September 2021 from just 14.8% in March 2016.

Category wise share of individual investors in Regular plans



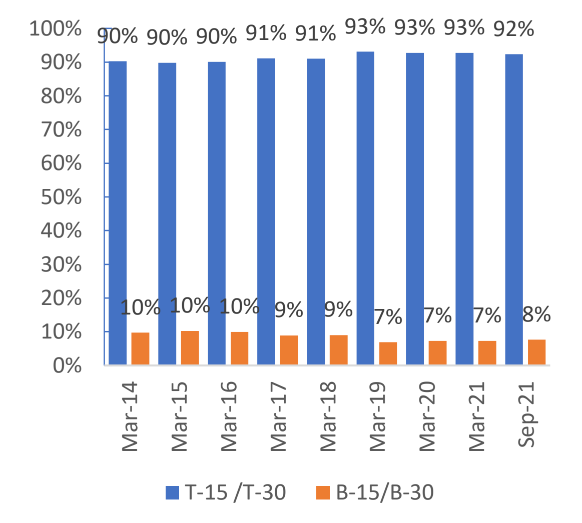
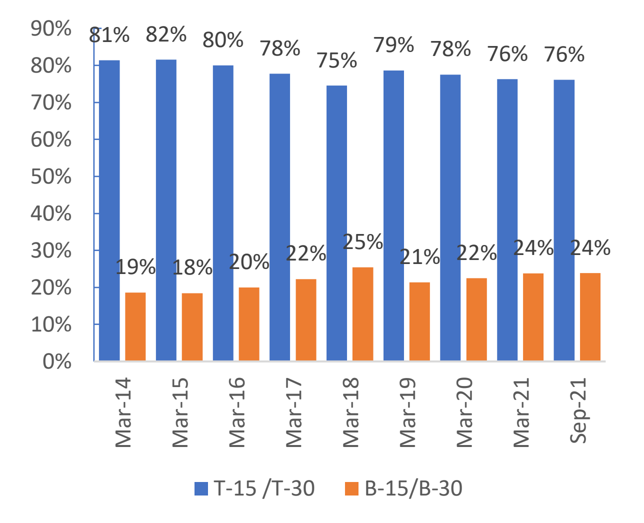
Note: Based on monthly average AUM
Source: AMFI, CRISIL Research

Increasing importance of B-30 cities for Mutual Fund Distributors

As of September 2021, regular plans accounted ~24% of B30 assets and constituted the majority of aggregate equity AAUM. This is much higher than the share of B30 in direct plans' AUM. This indicates that investors beyond the top 30 markets prefer to invest in regular plans through a mutual fund distributor.

AMCs incur additional distribution costs to on-board retail customers, thereby mandating increased spending on infrastructure and marketing capabilities. As a result, distributors (especially NDs) with a robust existing presence in B30 markets are well-placed to penetrate these markets more profitably.

Regular plans have a higher share of B-15 / B30 assets as compared under direct plans

Share of T-15/T-30 Vs. B-15/B-30 under direct plans	Share of T-15/T-30 Vs. B-15/B-30 under regular plans
 	

Note: Based on monthly average AUM
Source: AMFI, CRISIL Research

According to AMFI data, the share of B30 AUM as a proportion of aggregate industry AUM derived from associate distributors network has increased to 42.32% as of September 2021 as compared to 23.10% as of March 2014, which is the highest share amongst all the channels. Distributors having wide scale presence in B-15 / B-30 cities are thus relatively better placed as compared to normal and small scale distributors.

AUM Through / Time period	March 2014	March 2015	March 2016	March 2017	March 2018	March 2019	March 2020	March 2021	September 2021
Through Direct Plan									
B-15 / B-30	9.74%	10.20%	9.96%	8.88%	9.03%	6.90%	7.29%	7.27%	7.65%
T-15 / T-30	90.26%	89.80%	90.04%	91.12%	90.97%	93.10%	92.71%	92.73%	92.35%
Through Associate distributors									
B-15 / B-30	23.10%	19.98%	28.59%	31.46%	38.31%	36.52%	40.01%	42.31%	42.32%
T-15 / T-30	76.90%	80.02%	71.41%	68.54%	61.69%	63.48%	59.99%	57.69%	57.68%
Through Non Associate distributors									
B-15 / B-30	18.22%	18.27%	19.06%	21.00%	23.44%	18.95%	19.55%	20.87%	21.09%
T-15 / T-30	81.78%	81.73%	80.94%	79.00%	76.56%	81.05%	80.45%	79.13%	78.91%

Note: Based on month end AUMs
Source: AMFI, CRISIL Research

As per the AMFI data, retail regular plan AUM grew at a healthy rate of ~20% CAGR over March 2015 to September 2021. The overall growth was mainly supported by equity AUM (grew by ~26% CAGR over March 2015 to September 2021).

Category wise regular plan AUM in individual investor class

In ₹ Tn	March 2015	March 2016	March 2017	March 2018	March 2019	March 2020	March 2021	Sep 2021	CAGR (FY15-21)
Equity	2.9	3.2	4.7	7.1	8.1	7.3	10.2	12.8	25.5%
Debt	1.8	2.0	2.5	2.6	2.6	2.6	3.0	2.7	6.4%
Liquid/ Money	0.1	0.2	0.2	0.3	0.5	0.5	0.6	0.5	22.4%
ETFs	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	89.7%
Total	2.9	3.2	4.7	7.1	8.1	7.3	10.2	12.8	20.1%

Note: Based on monthly average AUM
Source: AMFI, CRISIL Research

The overall share of regular retail AUM in total retail MF AUM witnessing a declined trend over the years. Although it still account for major share in overall retail MF pie.

Category wise share of regular individual plan in total retail AUM

	March 2015	March 2016	March 2017	March 2018	March 2019	March 2020	March 2021	Sep 2021
Equity	91.4%	90.7%	90.8%	89.1%	88.0%	85.8%	84.4%	82.8%
Debt	85.2%	84.6%	84.1%	81.5%	77.5%	75.3%	72.8%	70.9%
Liquid/Money	70.0%	68.3%	62.2%	62.1%	59.5%	59.2%	62.4%	61.0%
ETFs	2.4%	4.1%	7.0%	9.1%	15.1%	26.3%	27.5%	26.6%
Total	87.7%	86.9%	86.8%	85.6%	83.1%	80.8%	79.9%	79.0%

Note: Based on monthly average AUM
Source: AMFI, CRISIL Research

As per AMFI data, the share of B-15/B-30 in direct plans across all the mutual funds categories witnessed a declining trend over the years. This indicates that investors in smaller cities are increasingly opting for investing through mutual fund distributors, who suggest them the plans to invest in and equip them with relevant information on market trends, rather than investing in mutual funds directly without any distributor support.

Under regular plans, Individual investors hold lion share in B-15/B-30 markets. As per AMFI data, the share of individual investors under regular plans in B-15/B-30 cities have increased to ~92% as of September 2021 as compared to 72.4% as of March 2014.

Regular plans		March 2014	March 2015	March 2016	March 2017	March 2018	March 2019	March 2020	March 2021	September 2021
B-15/B-30	Individual	72.4%	77.7%	77.2%	82.6%	86.9%	89.5%	89.2%	91.0%	91.6%
	Institutional	27.6%	22.3%	22.8%	17.4%	13.1%	10.5%	10.8%	9.0%	8.4%
Regular plans		**March 2014**	**March 2015**	**March 2016**	**March 2017**	**March 2018**	**March 2019**	**March 2020**	**March 2021**	**September 2021**
T-15/T-30	Individual	57.3%	57.5%	60.8%	64.8%	69.7%	74.4%	73.8%	74.7%	75.3%
	Institutional	42.7%	42.5%	39.2%	35.2%	30.3%	25.6%	26.2%	25.3%	24.7%

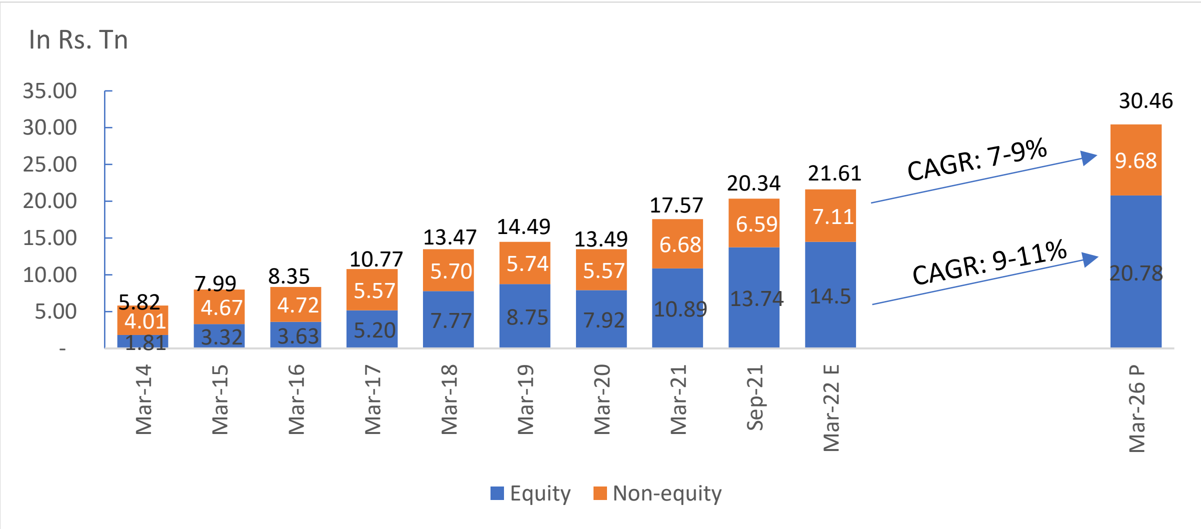
Note: Based on monthly average AUM
Source: AMFI, CRISIL Research

Equity regular plans AUM to grow at a healthy pace, aiding growth for MF distributors

The regular industry MAAUM grew at 18.14% CAGR over March 2014 to September 2021, to ₹ 20.34 trillion, driven mainly by regular equity AUM. The aggregate equity regular MAAUM grew by 31.02% CAGR driven by higher financial savings combined with growing investor awareness of equity mutual fund products. However, MAAUM in Mar 2020 fell on account of the nationwide lockdown and corresponding fall in capital market indices. Non-equity regular MAAUM grew at CAGR of 6.85% over March 2014 to September 2021.

In the long term, CRISIL expects the MTM gains in the equity category to moderate down to an average ~7-11% in next five years post March 2021. In the long term, CRISIL expects the equity AUM to grow at ~9-11% CAGR over March 2022 to March 2026.

Aggregate regular AUM to grow at 8-10% CAGR over March 2022 to March 2026

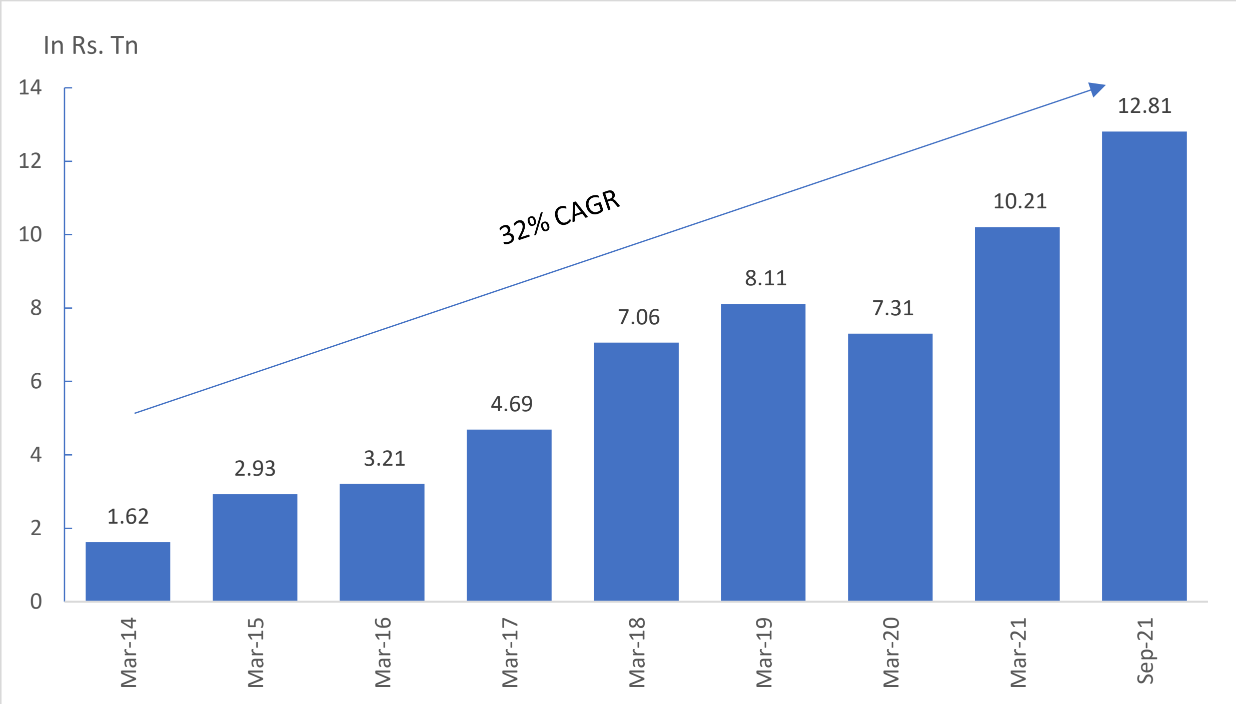


Note: P = Projected; Based on MAAUM. Equity include equity oriented ELSS and other schemes and balanced schemes.
Source: AMFI, CRISIL Research

Key growth drivers for MF distributors

Strong growth expected from individual investors in equity regular AUM

Individual investors in equity regular MAAUM grew at a very healthy pace of 32% CAGR over March 2014 to September 2021 mainly driven by increasing penetration of distributors in semi-urban and urban areas and increasing number of investors opting for mutual funds as an investment vehicle. Going forward also, CRISIL Research foresees a strong growth in the individual regular equity AUM, as an overwhelming majority of investors prefer to obtain support and guidance from distributors they trust for undertaking investment decisions. This will aid growth for the MF distribution industry.



Note: Based on MAAUM. Equity include equity oriented ELSS and other schemes and balanced schemes.
Source: AMFI, CRISIL Research

Increasing penetration in semi-urban and urban geographies

As of September 2021, the monthly average AUMs in the bottom 30 (B30) cities stood at ₹ 6.15 trillion compared with ₹ 1.39 trillion in March 2014. The B-30 MAAUM posted a CAGR of ~22% in between March 2014 to September 2021 mainly driven by increasing penetration of distributors in B-30 regions.

CRISIL Research believes, with better individual connect of distributors in the region, adoption of technology by the distributors in client acquisition and increasing investor interest with improvement in disposable income of the individuals will drive strong growth in AUM in B-30 geographies.

Rising penetration of technology based platforms in distribution space

The rising internet and smartphone penetration in the country has enabled new business models in the distribution space which are lean in structure and also fosters robust scaling up of business. The large MF distributors have built robust technology platforms that enables their network of IFAs on the ground to on-board customers and help them transact with utmost convenience.

Appropriate technology can also help reduce transaction costs. A reduction in physical costs (paperwork, labour) enables the distributor to focus on value additions for the client, bring in efficiency of time and enable the distributor to increase volumes. In addition, technology can play a major part in compliance of rules and regulations in maintaining up-to-date database in keeping with norms.

CRISIL Research believes that technology and ability to invest in and provide the requisite tools that offer best-in-class convenience to customers as well as agents is increasingly becoming a key factor differentiating from one distributor from the other. For example, large NDs such as Prudent Corporate Advisory Services Limited and NJ IndiaInvest have introduced their own digital apps / platforms such as FundzBazar and NJ E-Wealth, respectively, to offer better services and attract tech savvy customers.

Banks and NDs are expected to develop and maintain their own technology platforms while IFAs would be inclined to use third party online platforms (due to costs involved in developing the platforms).

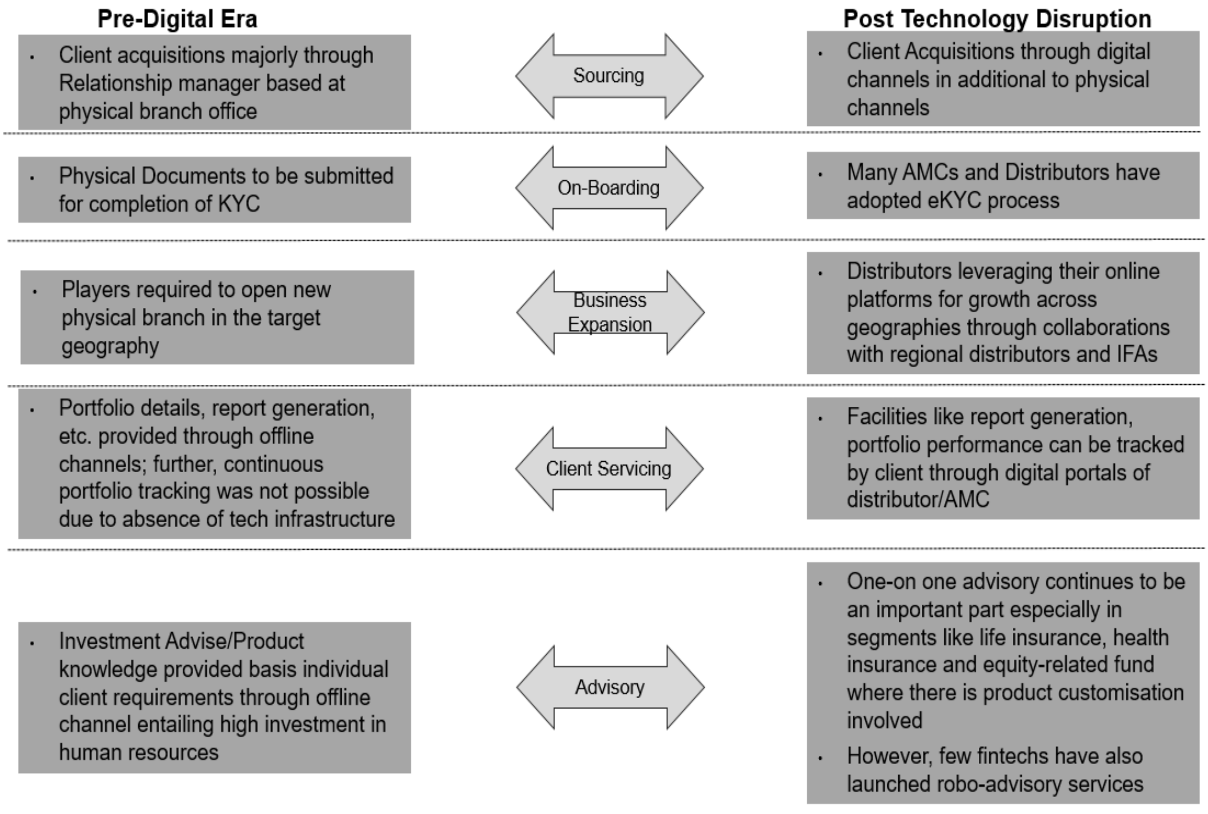
Role of Technology in Mutual Fund Distribution Industry

Tech-Based Platforms have become critical for all distributors

The rising internet and smartphone penetration in the country has enabled new business models in the distribution space which are lean in structure and also fosters robust scaling up of business. Branch-based presence is no more a key requirement for distribution as online platforms/mobile apps can enable the same at a much lower cost. Though physical presence maybe required from advisory/product education point of view to investors, the on-boarding and workflow post the same will require substantial investment in technology. Many major distributors in the country therefore launched their own online portals/mobile applications for Investments post 2014. The development of digital-model also helps rationalise cost structures for the distributor over the long-run as the expenses on physical branches and relationship managers will witness substantial reduction.

Further, majority of the new Investors in the country are millennials who are tech-savvy and are comfortable to carry out their transactions on their own through digital means or through assisted digital mode i.e. sold digitally but with the assistance of a physical representative. Therefore, from consumer preference point of view as well it is critical for all distributors to have platforms that can aid in customer onboarding, updating customer information, streamline execution and offering value added services.

Impact of technology disruption on MF distribution workflow



Source: CRISIL Research

Small IFAs collaborating with larger distributors to leverage on later's Platform

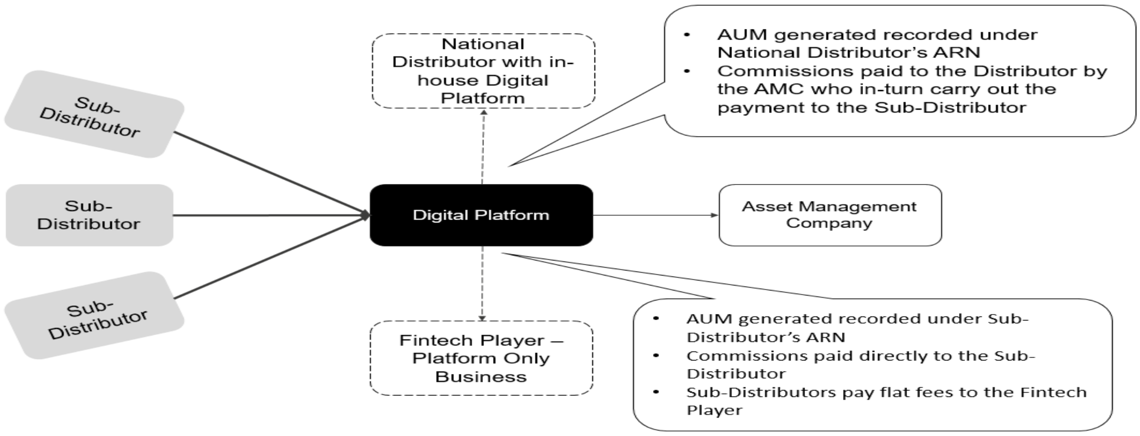
Before the digital-era, all the customers' requirements such as report generations, investment tracking, query resolution were addressed through offline mode. However, with changing customer requirements, in-house technology platform has become a pre-requisite for all distributors. However, many small IFAs do not have the scale to invest in developing their own technology platforms, given the need to incur a huge cost upfront. Therefore, many IFAs partnered with ND as a sub-distributor to leverage the NDs technology platforms. The benefits of this are two-fold. Firstly, the customers of the sub-distributor will have access to the technology infrastructure of the ND and enrich clients' customer experience. Secondly, as the ND has significantly higher bargaining power with the AMC due to scale, the commission paid to the sub-distributor is in-line or slightly higher as compared to the commissions earned while operating on standalone basis.

Going forward, CRISIL Research expects the trend to continue and believes that the Industry will consolidate as smaller IFAs will partner with the National Distributors for synergies. For NDs too, expanding the number of IFAs in their network is a key focus area, given the increasing presence of mutual fund investors across the length and breadth of the country.

Rationalising commission structures, Covid-19 pandemic will further accentuate move towards digital and assisted digital channels

New B2B2C Models emerge with increasing need for digital platforms

Digital Platform has become a critical infrastructure for distributors across financial products. However, as small IFAs do not have scale to invest in technology, they are required to collaborate with larger players who can provide the technology platforms.



Source: CRISIL Research

Sub-Distributors have collaborated with platform-based business or NDs who have developed in-house online platforms in-order to enhance their services to the customers. Many sub-distributors have collaborated with National Distributors due to the following:

- Higher bargaining power of NDs with AMCs leads to higher commission payout to NDs; therefore, the eventual commission payout to sub-distributor is in-line or slightly higher to the commission earned by them while operating as standalone entity

- Wider range of product offerings, client servicing and value addition provided by the NDs to partners' customers through features as personalised portfolio construction, client dashboard, bespoke risk profile, etc. increases the customer satisfaction and aids returns.

Major NDs such as NJ India Invest Private Limited and Prudent Corporate Advisory Services Limited have already adopted the B2B2C models in-order to scale up their business operations. As of September 30, 2021, Prudent Corporate Advisory Services Limited had 21,010 AMFI Registered Partners on-boarded on its platform. Also, NJ India Invest Private Limited collaborated with 21,598 Partners as of September 30, 2021.

Regulatory developments

Segregation of Advisory and Distribution Activities

In September 2020, SEBI implemented the following changes:

- No person involved in distribution of securities shall use the nomenclature "Independent Financial Adviser" or "Wealth Adviser" or any other similar name unless registered with SEBI as investment adviser
- An individual investment adviser shall not provide distribution services
- Investment adviser shall, wherever available, advice direct plans (non-commission based) of products only
- A non-individual investment adviser shall have client level segregation at group level for investment advisory and distribution services
- The same client cannot be offered both advisory and distribution services within the group company

The segregation of advisory and distribution activities is likely to impact the prospects of few fintech platforms which provide advisory services to its clients through robo-advisory services or other curated products and also distribute ‘regular’ mutual fund products to earn revenue through commission fees. The revised SEBI Regulations would force such platforms to choose between distribution and advisory and either charge fees for advisory or act only as distributor platform.

SEBI mandates inter-operable platform across RTAs

In a circular dated July 26, 2021, SEBI proposed a common transaction platform across Registrar and Transfer Agents (RTAs) for the purpose to streamline and ease mutual funds transaction taking place across different forums. The platform will –

- Provide one stop solution for investors to undertake any non-financial transaction such as KYC updation
- Provide services related to report generation to the MF investors
- Provide financial transactions services to MF investors

The implementation of platform is likely to ease the overall processes for MF investors and also act as a one stop solution especially for DIY investors. Over the long run, the platform can also provide its API for integration with fintechs.

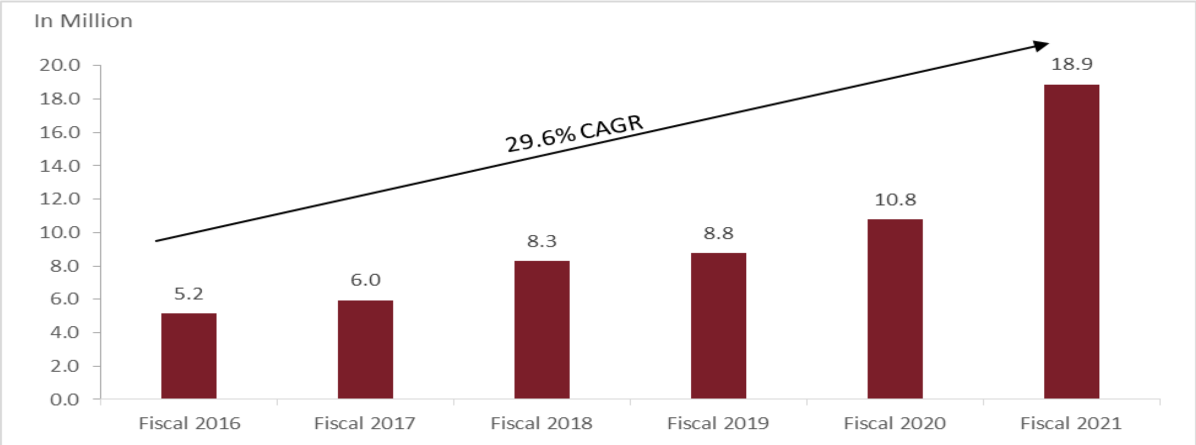
Retail investor participation has increased across product segments over last five years

Increase in awareness among retail investors, rise in internet penetration/mobile trading and drop in brokerage costs have aided the rising participation of retail investors across product segments. The total number of investor accounts increased at 16.2% CAGR during Fiscal 2016 to Fiscal 2021 YTD5 and active clients on NSE increased at 29.6% CAGR during Fiscal 2016 to Fiscal 2021.

Indian Broking Industry

The Broking Industry has seen a strong growth over the last five years aided by the robust performance of capital markets. The Active Client Base on NSE increased at 29.6% CAGR from 5.2 Million in March 2016 to ~18.9 Million in March 2021.

Active Client Base on NSE has seen a steep rise in Fiscal 2021 as well as during last five years



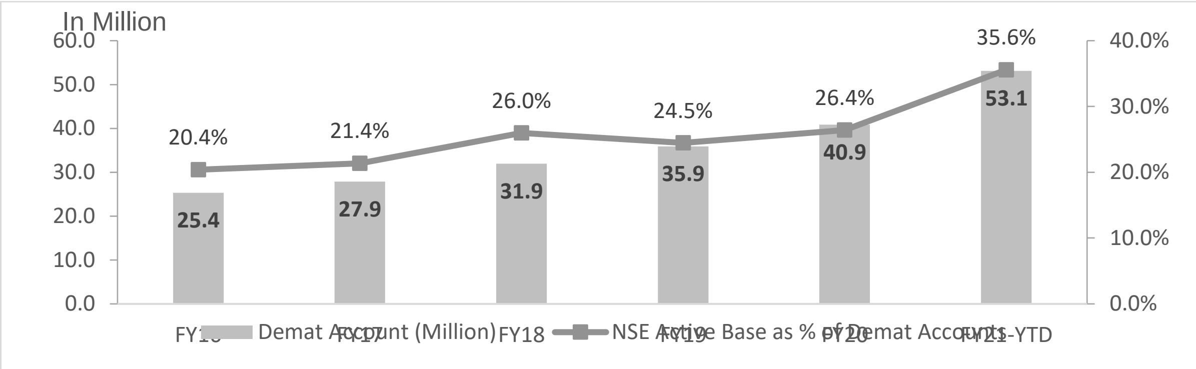
Source: NSE, CRISIL Research

Broking industry likely to register 12-14% CAGR in next five fiscals driven by rising retail penetration and high growth in equity derivatives segment

CRISIL Research expects the industry to grow at 12-14% CAGR during the next five years ending fiscal 2026. Even during the next five years, the moderation in pricing by the Traditional Brokers will impact overall revenue growth for the Industry.

Increasing awareness about capital markets among the population to aid Industry Growth

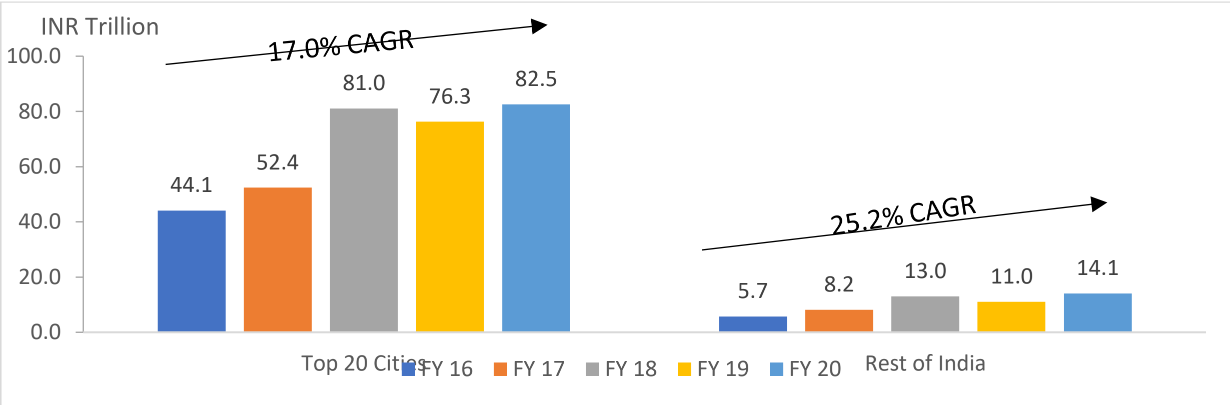
Active Client Base (as % of Demat Account) has improved substantially during last five years



Source: NSE, SEBI, CRISIL Research

Penetration in Tier-2 Cities and beyond will add one more lever of growth to broking Industry

Equity Turnover Growth fastest in Rest of India compared to Top 20 Cities



Source: SEBI, CRISIL Research
Note: Rest of India constitutes cities beyond top 20 cities

Life insurance industry

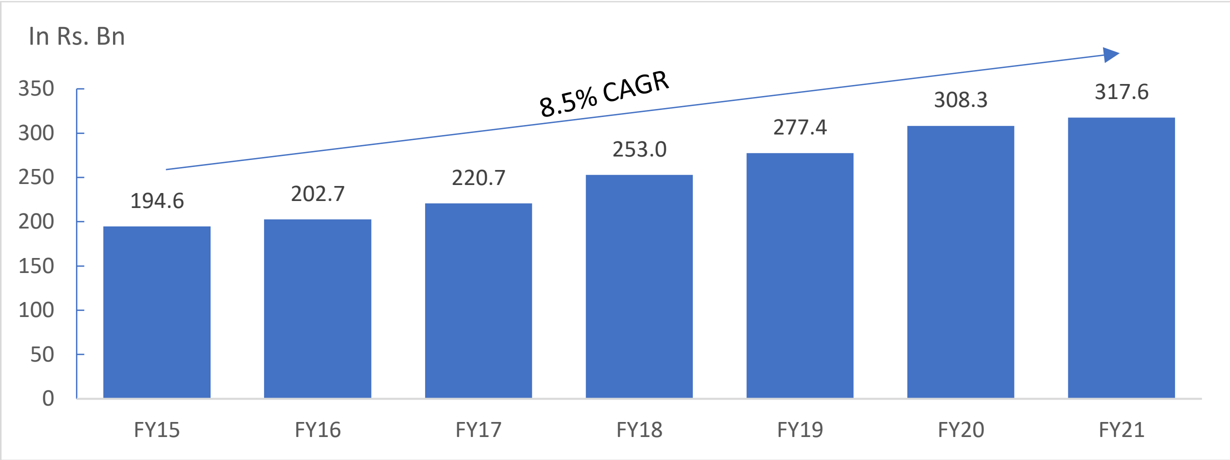
Life Insurance Industry Continues to Grow at Robust Pace

The life insurance in India continues to be one of the fastest growing segment with an estimated gross total premium at ~₹ 6,100 Billion as of fiscal 2021. The premium has grown at a robust ~11% CAGR during the last five years ending fiscal 2021. This was on account of the strong 16% CAGR growth in new business premium ("**NBP**") during the same period.

Commission paid to distributors has grown at healthy pace

The commissions paid by the life insurance players increased at 8.5% CAGR during the last six years ending fiscal 2021 to ~₹ 318 Billion, despite the increasing share of direct channel in new business premium. The commission paid to the Channel Partners as % of total premium has dropped from 5.9% in Fiscal 2015 to 5.1% in Fiscal 2021. However, despite this, the commissions paid to distributors has recorded strong growth, as evident from the below graph.

Trend in Commission Paid by Life Insurance Players



Source: IRDAI, CRISIL Research

Going forward, though the share of direct channel is expected to continue to increase, CRISIL Research expects the growth for other channels as well to record robust growth. The low penetration of life Insurance, rising financial awareness amongst people will further ensure growth across distribution channels. Lower ticket size products distributed through micro insurance agents and PoS channels to customers in smaller towns and cities is also expected to witness strong growth going forward and aid the intermediaries serving the segment.

Low insurance penetration and increasing insurable population provides huge window for growth for life insurance industry and its intermediaries

India's insurance penetration was 2.8% as of fiscal 2020, which is substantially lower compared to developed economies. Further, India has one of the largest young populations in the world, with a median age of 28 years. The number of individuals in the age group of 25-49 years, which is the target population for the industry, is increasing in India and would boost industry growth. A large share of the working population, coupled with rapid urbanisation and rising affluence, is expected to propel Indian life insurance sector growth.

Health Insurance Industry

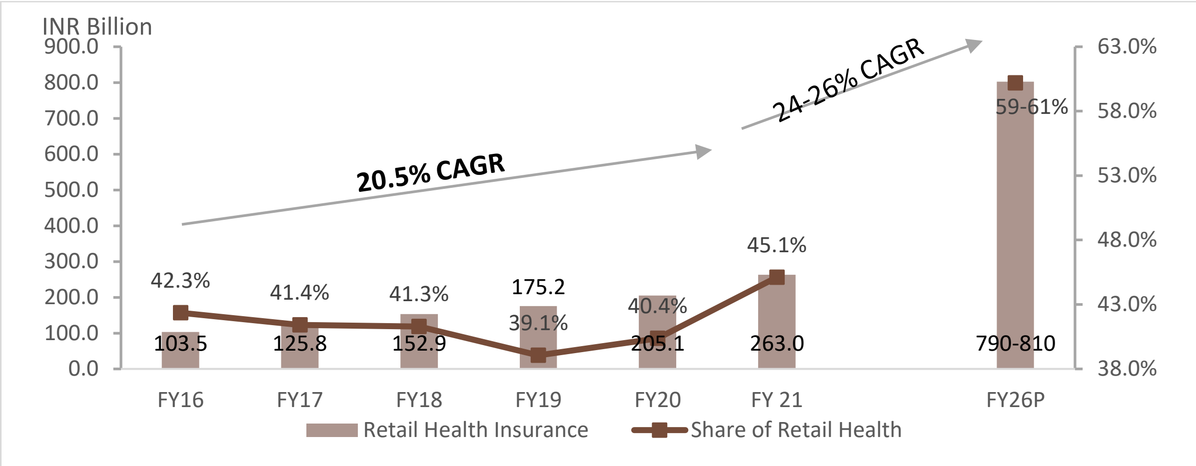
Gross direct premium has grown at 19% CAGR in last five years ending FY21

Retail health insurance has grown at a slightly faster pace than Industry

With gross premium of ₹ 263 billion, retail health insurance business segment accounted for 45% share in overall gross direct premium in health insurance business as of fiscal 2021. It has seen a strong 28% y-o-y growth in premiums of fiscal 2021 in the backdrop of Covid-19. Over the long term as well, the industry has grown at an impressive pace, logging a 20.5% CAGR between fiscal 2016 and fiscal 2021.

The retail health insurance segment has grown at 20.5% CAGR during the previous years ending Fiscal 2021 supported by the strong ~30% growth recorded by SAHI Players during the period.

Trend in gross written retail health insurance premium



Note: P = Projected
Source: IRDAI, GIC

Low penetration indicates significant growth potential

India's health insurance penetration (as % of real GDP) has increased from ~0.2% in fiscal 2015 to 0.35% in fiscal 2020. However, it remains much lower than the global average of ~2%. The insurance density too, at ₹ 368 in fiscal 2020, is much lower than the global average.

The current level of low insurance penetration in health insurance can be attributed to various reasons such as, lack of education, awareness among customers, affordability, and the complicated access.

As of fiscal 2020, only 36% of Indians have a health insurance policy, either provided by the private sector or government schemes. The low penetration levels indicate the ample opportunity for growth. To tap this opportunity, it is imperative for the industry to keep innovating and designing products that meet customer needs. In addition, there is a need to improve customer awareness as well.

Insurance Brokers witnessing strong growth through adoption of hybrid model

Enthused by the market opportunity in serving a large section of customers with basic insurance products, several insurance brokers in the industry have built their in-house digital platforms to foster growth and streamline on-boarding process.

All the players in the peer set such as D2C Insurance Broking Private Limited ("**RenewBuy**"), Invictus Insurance Broking Services Private Limited ("**Turtlemint**"), Probus Insurance Brokers Private Limited ("**Probus Insurance**"), NJ Insurance Brokers Private Limited ("**NJ**"), and Gennext Insurance Brokers Private Limited ("**Gennext**") have their digital platforms and also have strong focus on building the PoS Sales Channel. The business model of these players revolves around setting up technology platforms but at the same time having a network on the ground to facilitate and guide customers' in their insurance purchase journey. All the companies in the set distribute products in General (Motor, Health) Insurance and Life Insurance space.

Trend in revenues for Insurance brokers

Company	Revenue (Fiscal 2017) – ₹ Million	Revenue (Fiscal 2020) – ₹ Million	% CAGR (Fiscal 2017 to Fiscal 2020)
RenewBuy	17.5	433.2	191.3%
TurtleMint	19.7	468.0	187.4%
Probus	144.6	303.9	28.1%
Gennext	38.1	168.1	64.1%
NJ	141.3	574.5	59.6%

Source; Company Filings, CRISIL Research

All the players in the set recorded robust growth during the last three years ending fiscal 2020. NJ was the largest player in the set and clocked revenue of ~₹ 575 Million in fiscal 2020. RenewBuy was the fastest growing player in the set recording growth 191.3% CAGR during Fiscal 2017 to Fiscal 2020. As of May 2021, RenewBuy has around 35,000 POSP on-boarded on its network.

The fact that all players have grown at a significantly higher pace than the overall Insurance Industry, albeit on small base, indicates the strong growth opportunity through digital and POS channel going forward. Many insurance brokers have also developed their in-house application in-order to support the sales through PoS Channel. For example, Gennext has developed an android application 'POS by Gennext Insurance Broker' especially to support the POS sales.

Gennext enjoyed the highest EBITDA and PAT margin among the players in the set

Gennext recorded highest EBITDA margins in the set at 56.6% in Fiscal 2020 followed by NJ. Further, Gennext recorded PAT margin of 40.8% which is highest in the peer set. The Profit after Tax for Gennext increased at ~130% CAGR during Fiscal 2017 to Fiscal 2020. NJ recorded the highest profit in the set at ₹ 77.2 Million in fiscal 2020 followed by Gennext at ₹ 70.0 Million

Profitability metrics for peer set (Fiscal 2020)

Company	EBITDA (₹ Million)	EBITDA Margin (%)	PAT (₹ Million)	PAT Margin (%)
RenewBuy	-297.4	-68.0%	-236.6	-54.1%
TurtleMint	49.3	10.5%	35.8	7.6%
Probus	14.2	4.7%	12.3	4.0%
Gennext	97.2	56.6%	70.0	40.8%
NJ	102.7	17.7%	77.2	13.3%

Source: Company Filings, CRISIL Research

Gennext and NJ to continue to benefit from the strong branch network of their Parent Companies

Prudent Corporate (Parent company of Gennext) and NJ India Invest (Parent company of NJ) are the two largest mutual fund National Distributors in the country. As of May 2021, Prudent Corporate had 105 branches and NJ India Invest had 95 branches in the country for their mutual fund distribution business. This presence puts them in a good position to enhance cross-sell of its insurance products to the mutual fund clientele. Further, leveraging their existing branches as a hub will also enable the subsidiary insurance broking companies in further expanding their PoS workforce across geographies.

Portfolio management services

In India, portfolio management services ("**PMS**") are offered by AMCs, banks, brokerages and independent investment managers. PMS usually focus on customised discretionary, non-discretionary or advisory service offerings tailored to meet specific investment objectives through basic PMS for stocks, cash, fixed income, debt, structured products and other individual securities. Apart from managing mutual fund schemes, AMCs in India have started offering tailor-made strategies with higher flexibility to investors through PMS. As of May 2021, there were 361 portfolio managers (including AMCs) registered under SEBI. As of May 2021, discretionary PMS dominated the space with an 84.4% share, followed by advisory (9%) and non-discretionary (6.6%) services.

Over the past five years, the industry has seen significant growth, with the market becoming more mature, an increase in the number of HNIs, greater need for customised asset allocation based on risk-return profiling, and growing awareness of PMS as a product. As of April 2021, the AUM of PMS asset managers stood at ~ ₹ 20.7 trillion, reflecting a CAGR of 14.7% over the past five years. As of May 31, 2020, the AUM of PMS asset managers has reached ~ ₹ 21.3 trillion.

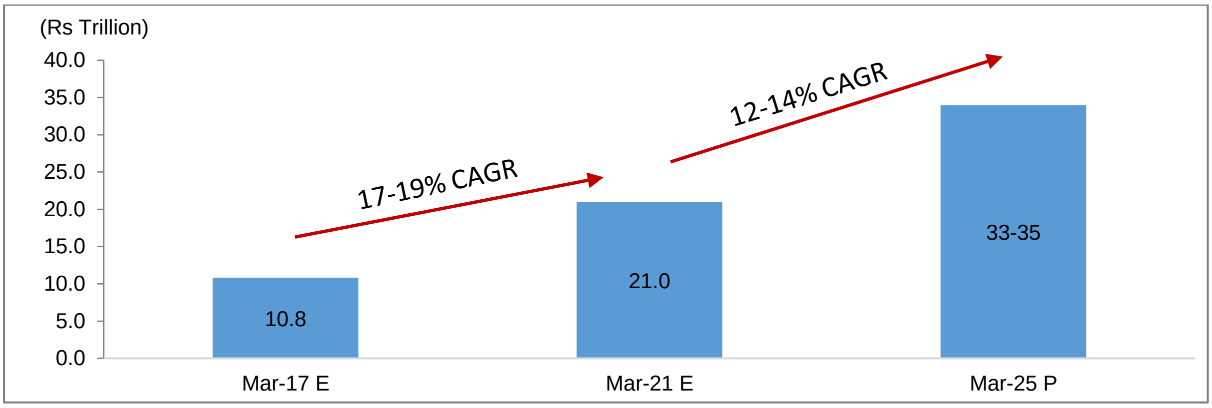
However, on November 20, 2019, SEBI announced an increase in the required minimum ticket size for investing in PMS from ₹ 2.5 million to ₹ 5.0 million and the minimum net worth requirement for PMS providers from ₹ 20 million to ₹ 50 million, effective within 36 months. Along with additional changes aimed at increasing transparency for retail investors, we expect this to impact PMS AUM growth, as the market for potential investors will decrease. The increase in net worth requirement will likely limit the number of businesses that enter and retain their registrations and help bigger players, which, in turn, should lead to increased investor confidence in the product.

PMS providers tie up with distributors to market their product to the end-investor. Distributors account for a major chunk of PMS providers' incremental inflow compared with their internal sales team and referrals from existing customers. Wealth managers, brokerages, domestic banks and foreign banks are the major distributors of PMS products in India. The trail commission earned by Distributors is in the range of 0.5-1.5% per annum, which is earned by the Distributors until the investor withdraws his money from the scheme.

Wealth Management

CRISIL Research estimates India's wealth management industry (including only banks and broking companies offering such services) assets to be at around ₹ 21 trillion in fiscal 2021; CRISIL Research projects the market to grow at a CAGR of 12-14% over March 2021 to March 2025 and cross ₹ 34 trillion by fiscal 2025 supported by significant under penetration compared to other developed economies, increasing population of affluent clients, increase shift from physical assets to financial assets and increasing complexity of assets amid rising competition.

Wealth management industry to grow at 11-13% CAGR over fiscal 2020 to 2025



Note: E: Estimated; P: Projected

Source: CRISIL Research

OUR BUSINESS

*You should read the following discussion in conjunction with our Restated Financial Information as of, and for the nine months ended December 31, 2021 and the years ended March 31, 2021, 2020 and 2019. Our Restated Financial Information for the nine months ended December 31, 2021, Fiscals 2021, 2020 and 2019, have been prepared under Indian Accounting Standards ("**Ind AS**"), the Companies Act and the SEBI ICDR Regulations. For further details, please see "Financial Information" on page 197.*

*Unless otherwise indicated, the information in this section is obtained or extracted from industry research report on "Assessment of financial products distribution industry in India" ("**CRISIL Report**") exclusively prepared and released by CRISIL Limited ("**CRISIL**") dated December, 2021 and commissioned by and paid for by the Company for the Offer, pursuant to an engagement letter dated May 6, 2021. The CRISIL Report is available for inspection at the Registered Office of the Company between 10 a.m. and 5 p.m. on all Working Days from date of the Red Herring Prospectus until the Bid/ Offer Closing Date and was also available for online access at https://prudentcorporate.com/investorrelation.*

Overview

We are an independent retail wealth management services group in India and are amongst the top mutual fund distributors in terms of average assets under management ("**AAUM**") and commission received (*Source: CRISIL Report*). We offer a technology enabled, comprehensive investment and financial services platform with end-to-end solutions critical for financial products distribution and presence across both online and offline channels. We grew faster among national distributors (amongst the top 10 mutual fund distributors) in terms of commission and AAUM with a CAGR of 34.4% and 32.5% respectively for the five year period ending Fiscal 2021 (*Source: CRISIL Report*). We believe we have become an important interface between asset management companies ("**AMCs**") and mutual fund distributors or independent financial advisors ("**MFDs**") (and by extension, retail investors who avail services from such MFDs), over the last two decades. We are an independent platform with no single AMC contributing more than 15% of our AUM as of December 31, 2021.

As on December 31, 2021, our assets under management from the mutual fund distribution business ("**AUM**") stood at ₹ 484,114.74 million with 92.14% of our total AUM being equity oriented. Our AUM has increased from ₹ 166,677.52 million as on March 31, 2018 to ₹ 484,114.74 million as on December 31, 2021, at a CAGR of 32.83% with our equity oriented AUM increasing from ₹ 138,657.92 million to ₹ 446,059.12 million during the same period, at a CAGR of 36.49%. Among national distributors our market share on commission received basis has increased from around 4% in Fiscal 2015 to around 12% in Fiscal 2021. Our equity AUM of ₹ 446,059.12 million as on December 31, 2021, represented 2.39% of total equity AUM of mutual fund industry.

Incorporated in 2003, we provided wealth management services to 13,51,274 unique retail investors through 23,262 MFDs on our business-to-business-to-consumer ("**B2B2C**") platform and are spread across branches in 110 locations in 20 states in India, as on December 31, 2021. Of our branches, 50 are locations in beyond the top 30 cities ("**B-30"**) markets and 60 are locations in the top 30 cities ("**T-30**") markets. Further, 27.83% of our registered MFDs and 20.56% of retail investors are based out of B-30 markets, as on December 31, 2021. Owing to our large network of MFDs, we facilitate AMCs access to smaller cities, especially in the B-30 markets. As of December 31, 2021, we are associated as distributors with 42 AMCs. Our AUM from the B-30 markets was ₹ 25,250.34 million representing 15.15% of our total AUM as of March 31, 2018 and has grown at a CAGR of 36.20% to ₹ 80,586.23 million representing 16.65% of our total AUM as of December 31, 2021.

Regular plans will continue to constitute a majority share of retail MF AUM in the industry due to trends such as increasing presence of first-time investors, popularity of mutual funds as an investment product beyond the larger cities, low level of awareness of nuances across financial products amongst a large section of investors and the need for guidance from a trusted intermediary in the wake of market volatility. Further, we believe that recent reductions in TERs have made sourcing of new business from retail investors more challenging, and AMCs will need to focus on developing alternative sourcing strategies and improving distributor management. We believe that our pan-India presence with a network of 23,262 MFDs representing 18.46% of the industry (as of December 31, 2021) increases our value proposition for the AMCs to source business from retail investors in a cost-efficient manner. (*Source: CRISIL Report*) We believe we are well positioned to grow our AUM given our de-risked B2B2C business model and our long-standing relationships with MFDs and AMCs.

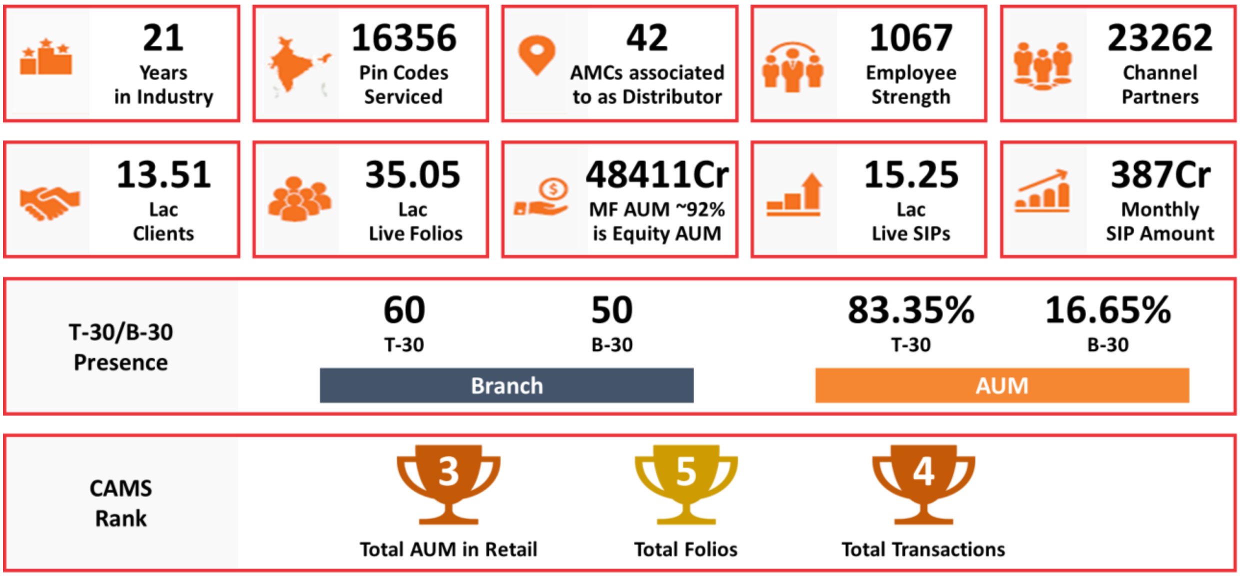
We believe that our technology platform has given us wider acceptability amongst MFDs in the industry. As per CRISIL, as on December 31, 2021, there were 126,000 AMFI Registration Number ("**ARN**") holders registered with

AMFI, while the number of ARNs empanelled with us stood at 23,262 representing 18.46% of the industry. Further, 84,784 MFDs have joined the industry during the period between April 1, 2016 and December 31, 2021. (*Source: CRISIL Report*) During the same period, we have added 18,915 MFDs on our platform, which we believe is a demonstration of our ability to provide a consistent and attractive value proposition for MFDs. This has helped us to increase the number of retail investors served from 549,881 as of April 1, 2018 to 13,51,274 as of December 31, 2021. We continue to enjoy long-standing relationships with our MFDs, with more than 50.60% of our AUM as of December 31, 2021, being contributed by MFDs who are associated with us for more than five years. Further, our MFD base is well-diversified, with our top 50 MFDs (by AUM) contributing only 8.52% of total AUM, as of December 31, 2021.

Our retail focus has helped grow the number of systematic investment plans ("**SIPs**") handled by us from 0.79 million as of April 1, 2018 to 1.53 million as of December 31, 2021. Correspondingly, equity AUM from SIPs increased from ₹ 40,384.66 million (representing 29.08% of our total equity AUM) as of March 31, 2018 to ₹ 189,499.09 million (representing 42.48% of our total equity AUM) as of December 31, 2021. Our monthly SIP flows as of December 31, 2021 were ₹ 3866.96 million providing visibility of monthly inflows for our MFDs as well as the Company. SIPs have helped further increase retail investor participation in the mutual fund space. Several benefits accrue from SIPs, such as avoidance of behavioural weakness during uncertain periods, aggregation of a high number of small amounts, and certain tax incentives. These have not only made SIPs an attractive investment option, but have also helped grow and diversify net inflow across the industry. With contribution levels set low enough to make inflows less susceptible to cycles, SIPs have also helped reduce volatility with respect to aggregate inflows. (*Source: CRISIL Report*)

We also distribute life and general insurance products in India through our wholly owned subsidiary, Gennext. In the nine months ended December 31, 2021, we distributed 74037 policies, across life and non-life insurance segments, with an aggregate premium of ₹ 1612.03 million, and total brokerage received amounting to ₹ 232.22 million. The total number of policies distributed through us increased from 53,221 in Fiscal 2019 to 86,988 in Fiscal 2021 at a CAGR of 27.85%. Further renewal of policies constituted 71.32% of the total number of policies sold by us in the nine months ended December 31, 2021 and allowed us to earn premium of ₹ 913.80 million. We distribute insurance products through a mix of online and offline channels, with each contributing 34.23% and 65.77%, respectively to new policies issued in the nine months ended December 31, 2021. Gennext recorded the highest EBITDA and PAT margin in Fiscal 2020 among insurance brokers with digital platforms and focus on point-of-sale channels. (*Source: CRISIL Report*)

Some key metrics of our business as on December 31, 2021 are detailed below:



Key metrics of our business verticals as on December 31,2021, are detailed below:

Vertical	Key Metric	Technology Platform
Mutual funds	AUM: ₹ 484,114.74million No. of investors: 1,351,274	FundzBazar: Online investment platform that offers variety of investment products (1)

Vertical	Key Metric	Technology Platform
	No. of MFDs: 23262 AUM per MFD: ₹ 20.81 million AUM per investor: ₹ 0.36 million No. of AMCs associated with: 42	PrudentConnect: Virtual office for MFDs registered with us.
Insurance	Premium: ₹ 1612.03 million No. of policies: 74037 Average premium per policy: ₹ 0.02 million No. of life insurance companies associated with: 11 No. of general insurance companies associated with: 26	Policyworld: Online platform which offers variety of insurance solutions
Broking	*Cash Delivery* Turnover: 37156.36million Active investor base: 19,814 Turnover per investor: ₹ 1.88 million *Cash Intraday* Turnover: 61347.72 million Active investor base: 5341 Turnover per investor: ₹ 11.49 million *Equity Derivatives* Turnover: 105571.28million Active investor base: 1608 Turnover per investor: ₹ 65.65million *Other Derivatives* Turnover: 42582.78million Active investor base: 185 Turnover per investor: ₹ 230.18 million	WiseBasket: Online model stock portfolios, aligned with economic trends and offer growth opportunities PruBazar: Online platform for trading in equities

*(1) We offer multiple investment products through FundzBazar, including mutual funds, stock broking, National Pension Scheme ("**NPS**"), corporate fixed deposits, loan-against-securities ("**LAS**"), Secondary Bonds, Gold Accumulation Plan ("**GAP**") etc.*

Some of our key financial metrics are as below:

Particulars	For the nine months ended December 31, 2021	Percentage of total revenue from operations	For the year ended March 31, 2021	Percentage of total revenue from operations	For the year ended March 31, 2020	Percentage of total revenue from operations	For the year ended March 31, 2019	Percentage of total revenue from operations
Total Commission and fee income from:	3140.71	97.78%	2,775.58	96.88%	2,293.11	97.65%	2,153.68	97.02%
Distribution of mutual fund products	2713.88	84.49%	*2,312.93*	*80.73%*	*1,955.87*	*83.29%*	*1,956.98*	*88.16%*
Distribution of insurance products	233.69	7.28%	*263.65*	*9.20%*	*170.35*	*7.25%*	*4.03*	*0.18%*
Stock broking and allied services	151.92	4.73%	*162.94*	*5.69%*	*136.76*	*5.82%*	*162.86*	*7.34%*
Oher financial and non-financial products	41.22	1.28%	*36.06*	*1.26%*	*30.13*	*1.28%*	*29.81*	*1.34%*
Interest Income	31.52	0.98%	33.03	1.15%	47.81	2.04%	64.80	2.92%

Particulars	For the nine months ended December 31, 2021	Percentage of total revenue from operations	For the year ended March 31, 2021	Percentage of total revenue from operations	For the year ended March 31, 2020	Percentage of total revenue from operations	For the year ended March 31, 2019	Percentage of total revenue from operations
Net gain on fair value changes	39.98	1.24%	56.46	1.97%	7.41	0.32%	1.36	0.06%
Total Revenue from operations	3212.21	**100.00%**	**2,865.07**	**100.00%**	**2,348.33**	**100.00%**	**2,219.84**	**100.00%**
Profit before exceptional items and tax	776.92	24.19%	605.24	21.12%	374.34	15.94%	305.71	13.77%
Profit after tax	576.28	17.94%	452.97	15.81%	278.53	11.86%	210.19	9.47%

We have a professional and an experienced management team, led by our Chairman and Managing Director and Promoter, Mr. Sanjay Shah, our CEO and Director, Mr. Shirish Patel, our Director, Mr. Chirag Shah and our Chief Financial Officer, Mr. Chirag Kothari who are supported by a qualified and motivated pool of 1,067 employees (as of December 31, 2021). Our key management personnel have experience and skills related to business operation, finance, accounts as well as experience in financial service industry. Together, they have demonstrated an ability to manage and grow our operations. For further details of our Directors and Key Management Personnel, see "*Our Management*" on page 173. Further, we have benefited from the strategic inputs and support of Wagner Limited, a TA group company and a financial investor in our Company since Fiscal 2019. For further details, see "*History and Certain Corporate Matters*" on page 166.

Strengths

We operate in an underpenetrated Indian asset management industry, that has grown at a CAGR of more than 20%.

Mutual fund assets in India have seen robust growth, especially in recent years, driven by a growing investor base on account of increasing penetration across geographies, strong growth in capital markets, higher technology progress, and regulatory efforts aimed at making mutual fund products more transparent and investor friendly. (*Source: CRISIL Report*)

We believe that the retail wealth management sector in India has significant growth potential. The Indian retail financial products distribution industry grew at a CAGR of approximately 10% over March 2016 to March 2021 and touched ₹ 161 trillion as of March 2021. Retail mutual funds category posted the highest CAGR (22% over the five year period from March 2016 to March 2021) amongst other retail financial products category and touched approximately ₹ 17 trillion as of March 2021. (*Source: CRISIL Report*)

Mutual fund AUM as a percentage of GDP grew from 4.3% in Fiscal 2002 to approximately 16% as on June 2021, however, penetration levels remained well below those in other developed and fast-growing peers, with a world average of 75%. The ratio of the equity mutual fund AUM-to-GDP in India at 6% is significantly low compared to 89% in the US, 78% in Canada, 50% in the UK, and 30% in Brazil. (*Source: CRISIL Report*)

Further, CRISIL expects that along with an increase in financial literacy, the relative outperformance of financial assets over recent years, and the government's efforts to fight the shadow economy, will increase the share of financial assets as a proportion of net household savings over the next five years. Fiscal 2020 saw household savings in physical assets declined to 58% from 67% in Fiscal 2012 and net financial savings increase to 41% from 31% in Fiscal 2012. The rise in financial assets will further boost the investment under mutual funds. The share of mutual funds in overall gross financial household savings has risen steadily from 0.8% in Fiscal 2013 to 2.7% in Fiscal 2019. With the financial sector being particularly sensitive to improved economic conditions, and given the expected changes in saving patterns, CRISIL expects an increase in the share of financial assets like mutual funds and insurance within total financial savings. (*Source: CRISIL Report*) We believe that this strong macroeconomic backdrop, coupled with India's rising affluence, digitization and awareness will continue to propel the financialization of savings and therefore the growth of the wealth management sector in India.

We are a growing independent financial products distribution platforms.

We are an independent retail wealth management services group in India and are amongst the top mutual fund distributors in terms of in terms of AAUM (*Source: CRISIL Report*). Commissions from the distribution of mutual funds has been the top contributing business vertical for us. Our AAUM has grown at a CAGR of 32.5% to ₹ 249,100 million in the five year period ending Fiscal 2021 while in the same period mutual funds distributors' AAUM grew at an approximate CAGR of ~12% and touched ₹ 10.19 trillion in Fiscal 2021 (*Source: CRISIL Report*).

As per AMFI's Commission Report of 2020-21, banks and national distributors are dominant in the mutual fund distribution industry, together accounting for ₹ 6.55 trillion of AAUM in Fiscal 2021. The market share of the top three national distributors (non-bank) has increased substantially from 23.0% in Fiscal 2015 to 48.6% in Fiscal 2021 on AAUM basis and from 33.1% in Fiscal 2015 to 64.0% in Fiscal 2021 on commission basis. We had 12% market share within the national distributor segment on AAUM basis as of Fiscal 2021 (*Source: CRISIL Report*). We grew faster among national distributor (amongst the top 10 mutual fund distributors) in terms of commission and AAUM with a CAGR of 34.4% and 32.5% respectively for the five year period ending Fiscal 2021 (*Source: CRISIL Report*).

We have a granular retail AUM with a mix skewed towards high-yield equity AUM

As of December 31, 2021, we had an AUM of ₹ 484,114.74 million and were among the top mutual fund distributors on AAUM basis. Of this our equity AUM stood at ₹446,059.12million as of December 31, 2021. Individual investors tend to stay invested for longer periods and prefer equity-oriented schemes, providing predictable, committed AUM to mutual funds and steady, recurring inflows for distributors as well. In equity AUM, the share of individual AUM in the under > 24-month bucket witnessed a sharp increase of 8% percentage points from March 2016 to September 2021. (*Source: CRISIL Report*) As of December 31, 2021, we provide wealth management services to 13,51,274 unique retail investors, through 23,262 MFDs.

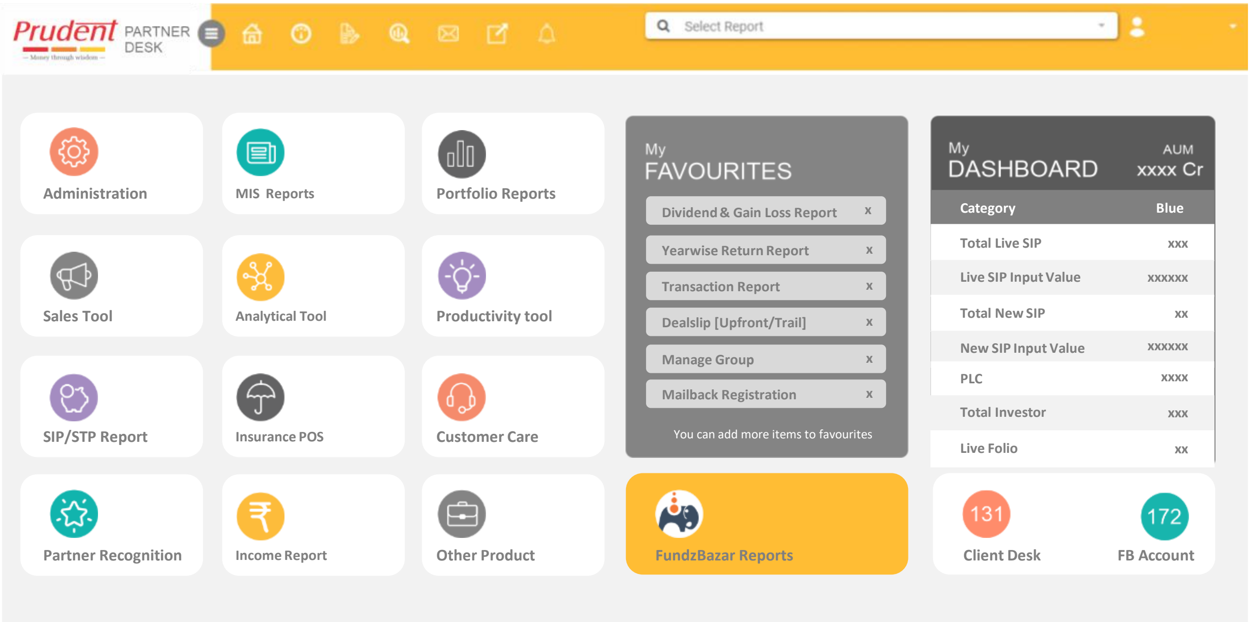
We believe our focus on retail investors and systematic investment plan ("**SIP**") has helped us in having a stable flow of investments from retail investors through SIPs accounts. The number of live SIPs on our platform being 1.53 million as of December 31, 2021, with the corresponding equity AUM from SIPs standing at ₹ 189499.09 million (representing 42.48% of our total equity-oriented mutual fund AUM) as of December 31, 2021. The number of active SIPs has increased from 0.79 million in Fiscal 2018 to 1.03 million in Fiscal 2021 to 1.53 million as of December 31, 2021. We believe the increase in equity mix and retail investor base have been driven by our focus on digital offering and our extensive MFD network across all the country, including B-30 markets. Further, 47.09% of our SIPs are perpetual, that is till 2099 or until cancelled and the rest have an average maturity of 17 years, demonstrating the relative stickiness of investment inflows through this route.

As per CRISIL, among various asset classes, equity as an asset class has higher expense ratio and consequently higher earning for distributors. Our commission to AAUM ratio for Fiscal 2021 stood at 1.06%, while the industry average in the same period was 0.65%. This is primarily due to 87.52% of our total AUM being equity oriented. (*Source: CRISIL Report*)

Our value proposition has led to increased participation and long-standing relationship with MFDs.

We offer a comprehensive multi-product investment platform with end-to-end solutions critical for financial products distribution. Our offerings for MFDs include various technology platforms for them as well as for their retail investors, with continuous support through our 59 member in-house technology and 55 member back-office service team.

We offer a virtual office for our MFDs providing information which will help to manage and grow their business, a snapshot of which is set out below.



We offer end-to-end, process driven and standardised support to our MFDs, as follows:

We believe that our MFDs as well the clients are habituated with the various offerings of our platform in term of execution of transactions, ease of administration and regulatory compliance. Availability of multiple products also reduces the efforts of the MFDs and clients to maintain relationship with multiple service providers. Further, the requirement of individual client consent to change the broker code creates administrative hassles for MFDs to transfer the AUM from our platform, which in turn builds long-standing relationship with MFDs.

We have been successful in growing our MFD network from 8,378 as on March 31, 2018 to 23,262 as on December 31, 2021 at a CAGR of 31.24%. As per CRISIL as on December 31, 2021 there were 126,000 ARN holders registered with AMFI, while the number of ARNs empanelled with us stood at 23,262. Further, 84,784 MFDs have joined the industry during the period between April 1, 2016 and December 31, 2021. (*Source: CRISIL Report*) During the same period, we have added 18,915 MFDs on our platform, which we believe is a demonstration of our ability to provide a consistent and attractive value proposition for MFDs. This has helped us to increase the number of retail investors served from 549,881 as of March, 2018 to 1,351,274 as of December 31, 2021. We continue to enjoy long-standing relationships with our MFDs, with more than 50.60% of our AUM as of December 31, 2021, being contributed by

MFDs who are associated with us for more than five years. Further, our MFD base is well-diversified, with our top 50 MFDs (by AUM) contributing only 8.52% of total AUM, as of December 31, 2021.

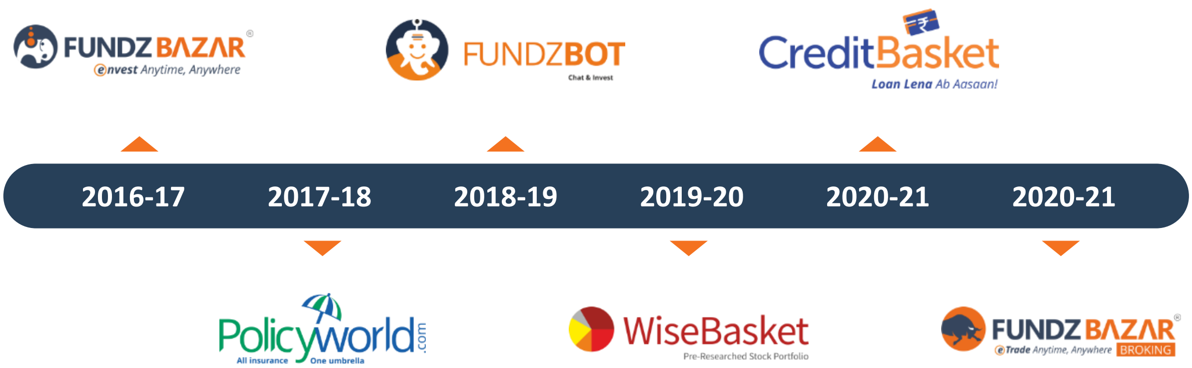
We believe that our independence, in terms of not being promoted by any existing AMC / financial institution, allows us to serve the needs of the MFDs and the end customers in a more holistic and efficient manner and allows us greater flexibility to choose products for distribution.

We have a track record of innovation and use of technology to improve investor and partner experience

We believe our experience of over two decades has helped us integrate our knowledge and expertise in financial product distribution with technology and provide a comprehensive business platform to partners. Our technology solutions help our partners to increase their focus on their core competence of managing clients without a need to make significant investments in operational infrastructure. Over the years, we have enhanced partner engagement and experience through digitisation of processes and augmentation of technology platforms.

We offer digital wealth management ("**DWM**") solutions through platforms, namely, FundzBazar, PrudentConnect, Policyworld, WiseBasket and CreditBasket. Technology helps reduce transaction and physical costs (paperwork, labour, etc.) allowing the distributor to focus on value additions for their clients, bring in efficiency of time and increase volumes. In addition, technology can play a major part in compliance of rules and regulations in maintaining up-to-date database in keeping with norms. (*Source: CRISIL Report*)

Below given are the milestone for launch of various digital platforms by us:



Each platform is designed towards providing MFDs and the retail investors a comprehensive set of financial service solutions, based on their investment needs. Our domain expertise build over the years is based on market intelligence and feedback from clients. We have developed a variety of offerings, such as model stock portfolio WiseBasket in Fiscal 2020, financial solutions offering, CreditBasket in Fiscal 2021 and we added stock as an investment option on FundzBazar platform in Fiscal 2021.We believe these offerings will enhance our appeal to the retail investors and make us a "one-stop-shop" solution for the MFDs.

We continue to monitor and receive feedback from our MFDs through regular feedback mechanisms and interactions, especially with respect to our offerings. We also maintain a team of 59 qualified IT professionals to finetune, maintain and service all our digital platforms, including our Prudent Partner Desk, which is aimed at providing a single window solution for MFDs.

We also believe that the simplicity and user-friendly nature of our platform enables us to attract more MFDs to the platform, with addition of 18,915 MFDs during the period from April 1, 2016 till December 31, 2021, at a CAGR of 33.83%.

We have a pan-India diversified distribution network with ability to expand into underpenetrated B-30 markets

We believe we are one of the very few national distributors (non-bank) with presence in the B-30 market catering to retail investors in more than 16,356 pin codes across India. As per AMFI, the share of AUM contributed by B-30 markets to the mutual fund industry increased to 16.45% in September 2021 from 15.53% in March 2014, illustrating the increasing importance of higher-growth B-30 cities. (*Source: CRISIL Report*) SEBI has also permitted AMCs to charge additional expenses of up to 0.3% on daily net assets of the scheme for B-30 markets to increase MF penetration. We believe the additional TER benefits distributors like us who have built a presence in B-30 markets by getting higher commissions on B-30 AUM.

Our AUM from the B-30 markets was ₹ 25,250.34 million representing 15.15% of our total AUM as of March 31, 2018 and has grown as a CAGR of 36.20% to ₹ 80,586.23 million representing 16.65% of our total AUM as of December 31, 2021. Further, 27.83% of our registered MFDs were based out of B-30 markets as on December 31, 2021. As on December 31, 2021, we had branches in 50 locations across B-30 cities with 108 relationship managers and 196 total employees at these locations.

Our mix of physical and digital model allows us to selectively target markets for expansion, especially in Tier 2 or Tier 3 cities, which are comparatively underpenetrated, thereby representing significant growth potential. We hire relationship managers capable of identifying, onboarding and catering to MFDs in such jurisdictions. By leveraging our existing technological capabilities and platforms, we are able to offer MFDs significantly lower transaction costs, while our ability to aggregate MFDs in the B-30 markets allows us to offer significant volume growth to AMCs without the associated cost of client acquisition. Since March 31, 2018, we have opened branches in 38 locations, of which 22 have been opened in B-30 markets, with a calibrated and progressive approach towards branch expansion.

We have demonstrated a consistent track record of profitable growth due to a highly scalable, asset-light and cash generative business model

We have a track record of consistent financial performance and delivering returns to shareholders. Some of our financial performance indicators are as follows:

Particulars	For the nine months ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Commission and fee income from distribution of mutual fund products	2713.88	2,312.93	1,955.87	1,956.98
Y-o-y growth	-	*18.26%*	*(0.06)%*	-
Total revenue from operations	3212.21	2,865.07	2,348.33	2,219.84
Y-o-y growth	-	*22.00%*	*5.79%*	-
EBITDA	814.96	619.10	466.71	382.05
EBITDA margin	25.37%	*21.61%*	*19.87%*	*17.21%*
PAT	576.28	452.97	278.53	210.19
PAT margin	17.94%	*15.81%*	*11.86%*	*9.47%*
ROCE	26.83%	28.73%	24.75%	25.30%
Cash flow from	505.80	577.22	502.78	123.20

Particulars	For the nine months ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
operations				
Cash flow from operations / EBITDA	62.06%	*93.24%*	*107.73%*	*30.71%*

***Note**: ROCE = Restated consolidated profit for the year available for equity shareholders / Restated consolidated net worth at the end of the year*

Revenue from mutual fund distribution constitute a significant portion of total revenues and a large portion of such revenues is contributed through SIPs, providing a better visibility of revenue sources in the near term. Equity AUM for the MF industry posted a strong growth of approximately 23% in Fiscal 2021 on account of higher MTM gains during the year. CRISIL expects MTM gains in the category to moderate down to an average ~7-11% in next five years post March 2021. In the long term, CRISIL expect the equity AUM to grow at ~9-11% CAGR over March 2022 to March 2026. (*Source: CRISIL Report*)

We believe ours is a scalable and asset-light model. We have focused on managing costs by using a technology-led business model. As a result, our cost ratio, which we define as the ratio of total expenses to total revenue, has decreased from 86.42% in Fiscal 2019 to 79.48% in Fiscal 2021 to 76.31% for the nine months ended December 31, 2021. In last couple of years, we have created significant infrastructure in the form of digital assets, physical branch presence, a wide MFD network as well as a large SIP base which we believe will help us in generating operating leverage in our business operations

We have an experienced management team and are backed by a global investor

Our management team has extensive experience in the financial services sector. Our Chairman and Managing Director and Promoter, Mr. Sanjay Shah has over two decades of experience in the financial services industry. Further, our CEO and Director, Mr. Shirish Patel, our Director, Mr. Chirag Shah and our Chief Financial Officer, Chirag Kothari each have experience of more than 15 years and are supported by a qualified and motivated pool of 1,067 employees (as of December 31, 2021). For further details of our Directors and Key Management Personnel, see "*Our Management*" on page 173.

We believe that the quality of our management team has been critical in achieving our business results and that our management's experience will help us make timely strategic and business decisions in response to evolving customer needs and market conditions. In particular, we believe that our management team has cross-functional expertise across business segments, product design and technology.

Further, Wagner, a global investment firm had invested in our Company in Fiscal 2019 and has been part of our journey since. We have benefited from the strategic inputs and support of marquee financial investor, Wagner, a member of TA Associates, a global investment fund.

Strategies

We intend to continue to focus on increasing geographic reach and strengthening relationships with MFDs

We intend to grow our geographic reach by both expanding our distribution network and deepening our existing presence. According to AMFI, the share of AUM from B-30 markets as a proportion of aggregate industry AUM derived from associate distributors network has increased to 42.32% as on September 30, 2021 as compared to 23.10% in Fiscal 2014, which is the highest share amongst all the channels. (*Source: CRISIL Report*) Distributors having wide scale presence in B-30 cities are thus relatively better placed as compared to other distributors. Since March 31, 2018, we have opened branches in 38 locations, of which 22 have been opened in B-30 markets, with a calibrated and progressive approach towards branch expansion. These branches have been responsible for around 8.21 % of our AUM and cater to 4,042 of our MFDs as on December 31, 2021. The average AUM per branch for the 38 branches opened since April 1, 2018 was ₹ 1,046.18 million as on December 31, 2021. We expect significant improvement in productivity of these branches and consider it as one of the levers for our growth in the next few years**.**

We intend to continue to increase our footprint across India by focusing on growing our presence in B-30 cities and rural markets. Our mix of physical and digital model allows us to selectively target markets for expansion, especially in Tier 2 or Tier 3 cities, which are comparatively underpenetrated, thereby representing significant growth potential.

Further, our relationship managers are key to our relationship with MFDs. Their role is to bring new MFDs, drive existing MFDs to improve their productivity and also help them to grow their business. We have added 293 relationship managers in existing branches in last 45 months. We plan to hire relationship managers capable of identifying, onboarding and catering to our MFDs. Recently, more specifically during pandemic, we have seen more and more MFDs joining our platform. In the nine months ended December 31, 2021 we have added 6409 MFDs on our platform. To service these MFDs we will continue to add quality relationship managers.

We intend to leverage our existing MFD network to distribute products and services

We intend to maintain the growth momentum in our financial products distribution business through our existing network of 23262 MFDs and 499 relationship managers and acquire new client base. We believe that this network presents us with significant potential to cross-sell other financial products including insurance. As of December 31, 2021, we have 23262 MFDs, while the number of point-of-sale persons ("**POSP**") for our insurance products distribution business stood at 6779. Of the 23262 MFDs, 3298 MFDs also offered insurance and other financial products to their retail customers. We believe this presents significant opportunities to increase our point-of-sale ("**POS**") base and to cross-sell insurance products to our existing retail investors base. We will also endeavor to cross sell insurance products through our PolicyWorld platform. Gennext has been one of the most profitable brokers amongst peers basis synergies derived from the ecosystem. The non-MF revenue contribution has been growing steadily over the past few years and we wish to diversify further in the next few years.

We intend to continue innovating our technology platforms to provide superior experience to our MFDs and their clients

Given majority of our customers invest and interact through our digital platforms, we need to continuously invest in technology to ensure that we provide our customers with a fast, seamless and secure experience. Our retail focus compels us to create platforms to cater to needs of the masses and continue to innovate in this regards. We plan to continue making investments in the IT infrastructure underlying our digital platforms to augment capacity, deliver innovative products and improve the user interface across devices. We will continue to improve our processing speed, keep up with latest cybersecurity best practices, and increase integration with third parties to provide our customers with more products and services.

As our existing IT infrastructure which includes various digital platforms and servers are managed and maintained in-house, we are capable of handling any substantial increase in user traffic, transactions and storage capacity by upgrading our hardware and software on an ongoing basis.

We also aim to increase the use of technology in other parts of our business to optimise our operations, reduce costs and errors in the areas of sales, customer relationship, information security and risk management.

As our customer base increases, we will have access to an increasing amount of data. We intend to continue investing in our analytics capabilities to ensure that we are able to gain actionable insights from such data. We have, and will continue to, use analytics to help us understand customer preferences, design new products and identify targets for cross-selling.

We intend to add new offerings to our existing portfolio

With an increasing financialisation of investments and a greater understanding of financial investments among Indians, we believe that there is significant potential to launch newer products and enter into newer segments. In particular, we believe that certain asset classes are underpenetrated among our customer base and we will leverage our analytics capabilities to recommend customized products for our investor base. With the expansion of product basket from mutual funds to other products such as NPS, unlisted securities, bonds, PMS, insurance (for POSP), we assist MFDs to increase their revenue from same set of clients, thereby increasing average revenue per investor. Apart from products distribution we also wish to strengthen our research and advisory offerings to our partners and retail customers. This in turn also helps MFD to acquire new clients by offering a comprehensive suite of products and services.

We also intend to expand the target customer base from MFDs and underlying retail customers to the high-networth individuals and affluent segments of wealth management. We wish to leverage our current brand and network to cater to these newer categories. We have also made investments in the respective human resources required for launch and success of these newer products.

Our Platforms

With our focus on providing technologically driven solutions, we offer digital wealth management ("**DWM**") solutions through our platforms, namely, FundzBazar, PrudentConnect, Policyworld, WiseBasket, Prubazar and CreditBasket.

Financial Products	Partner Platform	Insurance
FUNDZ BAZAR® ⓔnvest Anytime, Anywhere	PrudentConnect Partnership for Growth	Policyworld.com All insurance One umbrella
www.fundzbazar.com	www.prudentconnect.com	www.policyworld.com

Model Stock Portfolio	Stock Trading App	Loan
WiseBasket Pre-Researched Stock Portfolio	PRUBAZAR MOBILE TRADING APP	CreditBasket Loan Lena Ab Aasaan!
www.wisebasket.com		www.creditbasket.com

FundzBazar: This is an online investment platform launched in Fiscal 2016, which offers variety of investment products, including mutual funds, national pension schemes ("NPS"), fixed deposits, loan-against-securities ("**LAS**"), bonds, gold accumulation plan ("**GAP**") as well as stock broking solutions. This platform is aimed at providing a simple, user friendly and flexible solution to plan, choose, transact and keep a track of investments. It provides the facility for complete paperless transactions round the clock under a single login for the family through web, mobile app or Fundzbot, a chatbot engine. Some of the key features of the Fundzbazar platform include:

- Multiple product transaction and tracking from a single login.
- Research section to analyse fund performance on various parameters like comparison with peer group funds, industry research including FII/DII flow trend and AUM trends.
- Financial planning tools including risk profiling, financial calculators, goal planning and tracking, and various pre-set asset allocation combinations available for investment based on investor's risk appetite.
- Facility to generate various Investment related reports such as portfolio valuation report, capital gain/loss report, dividend income statement, SIP/STP report, transaction report and portfolio scanner report.

Some of our offerings and the features of each offering are as follows:

Product Offering

- ✓ Mutual Funds
- ✓ Fixed Deposit
- ✓ Bond
- ✓ Stock Broking
- ✓ NPS
- ✓ Gold Accumulation
- ✓ Plan (GAP)
- ✓ Loan Against Security

Account Options	Planning	Transaction
Single login account for Individual, Minor, HUF & NRI (with multiple holding combinations).	Risk Profiling, Financial Calculator, Goal Planning, Asset Allocation & Smart Combos.	Purchase, SIP, STP, Switch, SWP, InstaFundz, Redemption, Trigger Facility.
Reports	**Scheme & Industry Research**	**Manage Account**
Portfolio Valuation Report, Capital Gain/Loss Report, Dividend Income Report, SIP/STP Report, Portfolio Scanner Report.	Peer Comparison, SIP Return Comparison, Debt Fund Analyzer, Trends in FII/MFs, AUM Analysis, Sector Allocation Analysis.	Account Details, Add Client, Manage Joint Holder, Manage Mandate, Manage Query

We also provide an option to MFDs to initiate transactions on behalf of their clients, which are executed post the authorisation by the respective clients.

Particulars	Nine months ended December 31, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019	CAGR
No. of clients	424612	308,036	231,346	174,585	42.69%
No. of downloads	381502	282,226	211,287	140,970	48.92%
No. of transactions	4923173	3,601,761	2,439,409	1,549,508	58.79%

PrudentConnect: PrudentConnect is a virtual office for all MFDs registered with us which provides end-to-end support for MFDs for various processes from client acquisition to clients servicing, managing revenue tracking, assistance for scaling-up business, management of MFD's branding, and managing complete back-end processes.

Some key features which in our opinion makes PrudentConnect an important tool for MFDs, include:

- Smart dashboard to get synopsis of business
- MFDs' employee login to track and manage employee wise business
- Various analytical tools to help an MFD understand their business requirements of their clients and to identify business potential
- Branding tools like marketing images, tutorial and other videos, website building tools, etc. and
- Mailback facility for automated portfolio update to clients at regular intervals.

PrudentConnect also provides a facility to allow MFDs to initiate Fundzbazar transactions for their clients. All the features of PrudentConnect can also be accessed through the mobile app "Prudent Partner Desk".

Some of the key details regarding this platform are as follows:

Particulars	Nine months ended December 31, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019	CAGR
No. of MFDs	23,262	16,853	14,007	11,620	32.00%
No. of downloads	51,114	42,117	35,199	27,812	27.56%

Policyworld: This is an online insurance platform launched in Fiscal 2018, which offers completely paperless transactions for variety of insurance solutions based on the client's requirement and risk assessment through web as well as a mobile app, as set out below.

Some of the key features of Policyworld include:

- Ability to compare, buy and manage insurance policies of multiple insurers;
- Client login to buy/renew policies for self and family members;
- Allows clients to add, track and upload policies purchased from other agents;
- Online availability of policy copy and proposal forms;
- Online query management; and
- Claim support with status tracking

Additionally, there is a dedicated login for POS to cater the insurance needs of their clients, which provides comparative quotes and features, transaction initiation on behalf of the clients and a POS desk for client acquisition, business tracking, client servicing, renewal tracking, and claims servicing. As of December 31, 2021, we had insurance products offered by 19 insurance companies on the Policyworld platform.

Some of the key statistics regarding this platform are as follows:

Particulars	Fiscal 2021	Fiscal 2020	Fiscal 2019	CAGR
No. of clients	11,493	9,343	7,072	27.48%
No. of policies	13,575	11,410	8,288	28.45%

Further, for the nine months ended December 31, 2021, we had 5,190 clients and distributed 6,236 policies through the Policyworld platform.

WiseBasket: This platform was launched in Fiscal 2020, which provides an online facility to invest in multiple model stock portfolios which are aligned with economic trends and offer growth opportunities. It is a paperless platform for client onboarding and trade execution with an option to select from various baskets created based on various themes. Clients can enter and exit the basket at will without any lock-in. It also provides portfolio reports to track the investments.

Prubazaar: This is an online trading platform, which provides the facility to the clients to buy/sell equites through web portal or mobile app. It provides pre-login market data with screeners like top gainers, losers, best 5 buy / sell orders. It gives a facility of quotes, alerts, checking order status, net positions and real time fund positions with MTM updates. Client can get access to various reports like ledger, holding, valuation reports, gain loss report, position report, research report, and contract notes.

Some of the key statistics regarding this platform are as follows:

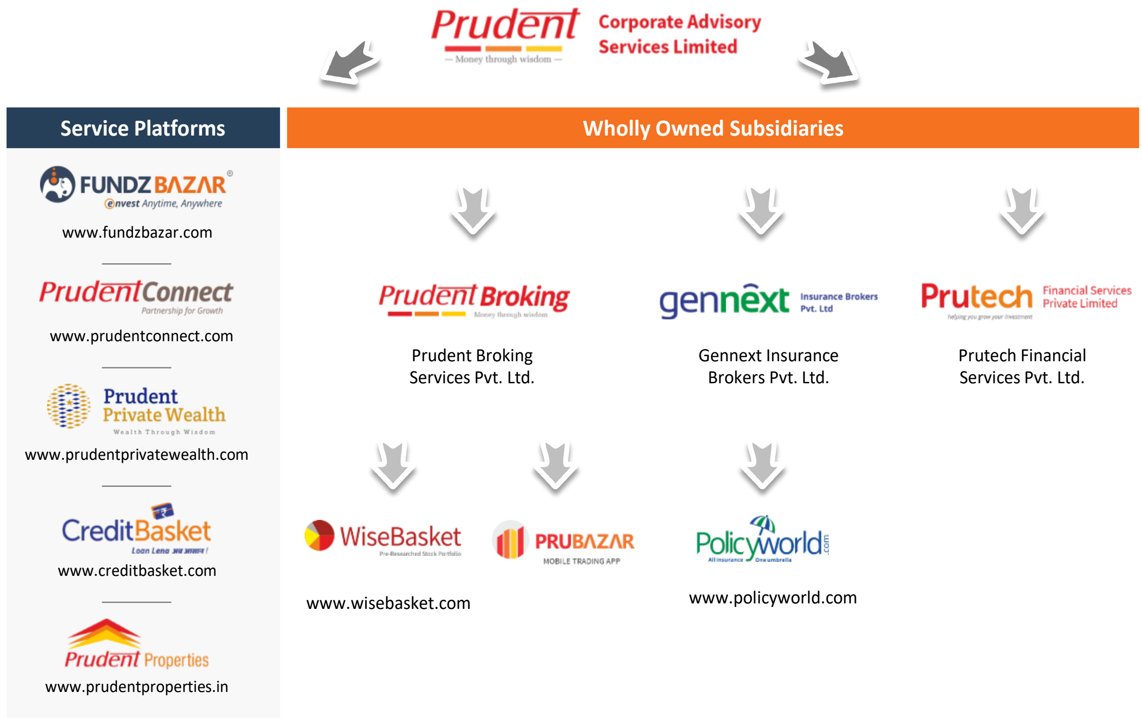
Particulars	Fiscal 2021	Fiscal 2020	Fiscal 2019	CAGR
No. of downloads	5,960	3,435	4,037	21.50%
No. of transactions	1,260,320	790,539	539,392	52.86%

Further, for the nine months ended December 31, 2021, we had 4,725 downloads of the Prubazaar platform and there were 881,014 transactions on this platform.

Credit Basket: This is an online credit / financing facilitation portal launched in Fiscal 2021, offering finance to customers through a wide range of retail loan products and credit card products for varying financial needs. Through our partnership with seven leading financial institutions, including a mix of banks and NBFCs, this platform offers various products like personal loan, home loan, loan against property, business loan and credit cards. It provides an option to choose from wide range of retail loans and credit cards with end to end application processing. It also provides various tools like EMI and loan eligibility calculators.

Corporate Structure

Our various businesses are conducted through our Company and our Subsidiaries, as follows:



Our Businesses

Our offerings include financial products, insurance products, stock broking and others.

Financial Products – Mutual fund and other financial products distribution

Our business primarily consists of distribution of mutual funds. We also distribute other financial products such as insurance, portfolio management schemes (“**PMS**”), alternative investment funds (“**AIF**”), corporate fixed deposits (“**FDs**”), bonds, unlisted equities, stock broking solutions, loans against securities, NPS, structured products, etc. We earn commissions from third parties for the distribution of their products, which may be in the form of recurring commissions.

We earned commission and fee income from distribution of mutual fund products of ₹ 2,713. 88 million, ₹ 2,312.93 million, ₹ 1,955.87 million and ₹ 1,956.98 million in the nine months ended December 31, 2021, Fiscals 2021, 2020 and 2019, respectively, representing 84.49%, 80.73%, 83.29% and 88.16% of our total revenue from operations, respectively.

Mutual Funds

We follow an “open-source” distribution model, pursuant to which we distribute mutual funds of AMCs irrespective of their affiliation or size. As of December 31, 2021, we distributed mutual funds of 42 AMCs, providing our customers with a large selection to choose from. We provide our clients with an array of planning tools, research reports, industry reports, and historical reports to enable them to make an informed investment decision. While our clients can execute transactions through our platform Fundzbazar, we also provide an option of submitting transactions offline for the clients. We distribute mutual funds through a large network of MFDs as well as through our own dedicated relationship managers. The commissions that we receive from AMCs are linked to the assets mobilised by us for them. We were among the faster growing national distributor (amongst the top 10 mutual fund distributors) in terms of commission and AAUM with a CAGR of 34.4% and 32.5% respectively for 5-Year ending Fiscal 2021 (*Source: CRISIL Report*).

As per CRISIL, we have seen high rate of growth in terms of AAUM as well as commissions earned, with a growth of 32.5% and 34.4%, respectively, on CAGR basis during the five-year period ending Fiscal 2021. The AUM of the mutual funds distributed by us were ₹ 484,114.74 million, ₹ 309,719.33 million, ₹ 193,287.17 million and ₹ 211,905.21 million as on December 31, 2021, Fiscals 2021, 2020 and 2019, respectively, and our revenue from mutual fund distribution was ₹ 2713.88 million, ₹ 2,312.93 million, ₹ 1,955.87 million and ₹ 1,956.98 million for the nine months ended December 31, 2021, Fiscals 2021, 2020 and 2019, respectively.

In last few years, we have seen increased interest in SIPs from retail investors. SIP allows customers to periodically invest in mutual funds in fixed amounts. The number of active SIPs on our platform has increased from 0.79 million in Fiscal 2018 to 1.03 million in Fiscal 2021 to 1.53 million as of December 31, 2021. SIPs provide us with visibility into future AUM, thereby providing earning visibility with reduced volatility.

Insurance Broking

Our Subsidiary, Gennext, is registered as a direct insurance broker for life and general insurance with IRDAI and distribute insurance products offered by various life and general insurance companies in India.

The brokerage that we receive on the distribution of Insurance products is linked to the premiums collected.

We distribute our products through our network of 92 broker qualified persons ("**BQP**"), our platform, Policyworld, and 6779 POSP, as of December 31, 2021.

The premium earned by us were ₹ 1612.03 million, ₹ 1,568.78 million, ₹ 897.95 million and ₹ 566.26 million for the nine months ended December 31, 2021, Fiscals 2021, 2020 and 2019, respectively, and our commission and fees income from the distribution of insurance products was ₹ 233.69 million, ₹ 263.65 million, ₹ 170.35 million and ₹ 4.03 million for the nine months ended December 31, 2021, Fiscals 2021, 2020 and 2019, respectively. The total number of policies distributed by us in each of the nine months ended December 31, 2021, Fiscals 2021, 2020 and 2019 was 74037, 86,988, 68,036 and 53,221, respectively.

Life Insurance

We distribute various types of life insurance policies such as term insurance, traditional insurance, pension plans and, unit-linked insurance plans. The brokerage that we receive on the distribution of these products is linked to their premiums.

The following table shows the total premiums from the life insurance policies we distribute, and brokerage earned from such distribution for the period indicated:

Particulars	**Nine months ended December 31, 2021**	**Fiscal 2021**	**Fiscal 2020**	**Fiscal 2019**
Premium	₹ 1114.82 million	₹ 988.90 million	₹ 429.63 million	₹ 161.69 million
Brokerage	₹ 161.58 million	₹ 180.38 million	₹ 101.60 million	₹ 36.01 million
Number of policies distributed	37,211	40,778	27,089	15,320
Number of policies sold online	1,416	3,408	3,126	530

General Insurance

We offer a range of general insurance products ranging from health, motor, and other retail insurance. The following table shows the total premiums from the general insurance policies we distribute, and brokerage earned from such distribution for the period indicated:

Particulars	**Nine months ended December 31, 2021**	**Fiscal 2021**	**Fiscal 2020**	**Fiscal 2019**
Premium	₹ 497.21 million	₹ 579.87 million	₹ 468.32 million	₹ 404.57 million
Brokerage	₹ 70.64 million	₹ 81.14 million	₹ 66.54 million	₹ 53.27 million
Number of policies distributed	36,826	46,210	40,947	37,901
Number of policies sold online	4820	10,167	8,284	7,758

Stock Broking

Our brokerage business primarily consists of brokerage services that we offer to retail customers and institutional clients for trading in equities, equity derivatives, currency and commodity derivatives. We offer stock broking services either directly through our relationship managers or through authorised persons ("**AP**").

We earn brokerage based on the volume and size of transactions our customers enter into. We earned commission and fees income from stock broking and other allied services of ₹ 151.92 million, ₹ 162.94 million, ₹ 136.76 million and ₹ 162.86 million in the nine months ended December 31, 2021, Fiscals 2021, 2020 and 2019, respectively, representing 4.73 % 5.69%, 5.82% and 7.34% of our total revenue from operations, respectively.

Other financial products

We also distribute other products such as PMS, AIFs, FDs, bonds, unlisted equities, loans against securities, NPS, structured products etc.

We earn commissions from third parties for the distribution of their products. The above products are distributed either through our own dedicated relationship managers, or through our network of MFDs.

We earned commission and fees income from other financial and non-financial products of ₹ 41.22 million, ₹ 36.06 million, ₹ 30.13 million and ₹ 29.81 million for the nine months ended December 31, 2021, Fiscals 2021, 2020 and 2019, respectively.

Sales and marketing

We derive significant revenue from our large network of MFDs. We also have a dedicated team of relationship managers who manage the investments of the clients. To increase our MFD base we target newer MFDs from following segments:

- Large pool of existing ARN holders who are not part of the "Prudent network";
- Those in similar lines of business like insurance agents;
- People from financial services industry as well as other professionals; and
- Referral from our existing partners.

To help MFDs understand our value proposition, we aim to provide end to end support to enable them to scale up their business offerings.

We also guide MFDs in the use of our tech-lead multi-product offerings to acquire new customers as well to cross sell to their existing customers.

Our marketing activities are designed to help our existing MFDs, relationship managers, insurance POSP and sub-brokers to grow their business and acquire new customers through multi-modal marketing strategies, including social media campaigns, marketing and email campaigns including event and product-based marketing. We also engage in social media marketing campaigns to helps us to acquire new MFDs, insurance POSP and sub-brokers.

Training and support

Given the importance of MFDs to our overall system, we focus on recruitment and development of the network of MFDs registered with us.

After the enrollment with us, our relationship managers regularly assist MFDs in training for and assisting in the growth of their business and business planning. We also announce various awards like best performer of the month to recognize and reward talented employees. We schedule various activities like monthly meets, meet with funds managers and industry veterans digitally as well as physically, one to one call, group meetings and town hall events. We also provide MFDs all round support, such as research, training, business development, marketing, branding and loyalty programs.

Information Technology

Information technology has changed and will continue to change the way mutual funds and other financial products are marketed, traded, distributed and settled. This creates both opportunities and challenges for our business. Our IT capability is critical to the efficient operation and performance of our businesses and one of the key contributors to our success. We have devoted substantial strategic resources to IT and we continue to innovate and invest in IT.

As on December 31, 2021, we had a team of 59 trained IT professionals to help in development, maintenance and improvement of our various digital assets. We are committed to the ongoing development, maintenance and use of

IT in various business activities. We expect technology developments to greatly improve client service quality through increased connectivity and the provision of customized value-added products and services.

Risk Management and Compliance

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

Risk Management System

Our Board oversees our risk management and has constituted a Risk Management Committee ("**RMC**"), which frames and reviews risk management processes and controls.

In accordance with the SEBI Listing Regulations, our Company has adopted a Risk Management Policy with an aim to create and protect shareholder value by minimizing threats or losses, and identifying and maximizing opportunities. The Risk Management Policy is being applied in order to ensure that effective management of risks is an integral part of every employee's job.

The Company identifies sources of risk, areas of impacts, events and their causes with potential consequences. The heads of various departments and other senior management persons in the Company at organizational levels under the guidance of the Board or Risk Management Committee are responsible for the development of risk mitigation plans and its effective implementation.

Key risks on which the Company presently focuses can be broadly subdivided into internal and external risks, which include technological risks, financial risks, operational risks, strategic business risks, legal and regulatory compliance risks, cyber security risks, competition risks and risks related to intellectual property rights.

For all key risks identified during the Risk Identification process, a qualitative and quantitative assessment is carried out. Risk assessment involves different means by which to grade risks in order to assess the possibility of their occurrence and extent of damage their occurrence might cause.

Risk mitigation strategy usually involves identifying a range of options for treating risk, assessing those options, preparing and implementing risk treatment plans. The risk mitigation strategies may include managing the risk through implementation of new internal controls, accepting certain risks, taking insurance, and finally avoiding certain activities that result in unacceptable risks.

Compliance

Our Board, through the Audit Committee, oversees our compliance framework. We have formulated various policies and procedures related to internal compliance, including a code of business conduct and ethics, a code of conduct for the prevention of insider trading, an anti-bribery and anti-corruption policy, an anti-money laundering policy and a whistleblower policy. These policies help ensure compliance with relevant laws and applicable regulatory guidelines issued by the relevant regulatory, statutory and enforcement authorities from time to time.

MFD / Retail Customer Support

We support our MFDs and the retail customers in various ways, including through toll-free contact numbers, e-mail, branches and comprehensive self-support tools on our website. We also have "FundzBot", a chat bot on our FundzBazar platform, to assist our customers with frequently asked questions as well as for transaction processing.

Our dedicated customer care team of 55 employees offer support to MFDs for their various business requirements including transaction queries, generation of transaction statements or brokerage query.

We have set up an independent team to monitor the quality of our customer support and review their findings. We also solicit feedback from our customers through telephonic surveys.

Competition

We compete, directly or indirectly, with various companies in the financial services industry, including other mutual fund distributors, wealth management companies, stock brokers, insurance intermediaries and public and private sector banks.

See "*Risk Factors – Competition from existing and new market participants in our line of business may affect our market share or results of operations*" on page 34.

Legal and Regulatory Matters

We are subject to various legal and regulatory proceedings. We are also subject, from time to time, to inquiries and investigations, some of which may in the future result in financial penalties being imposed or proceedings being instituted against us.

See "*Risk Factors – There is outstanding litigation against our Company and our Subsidiaries, which if determined adversely, could affect our business and results of operations.*" on page 39.

Employees

We believe that our culture and human capital are critical factors in the success of our business. As of December 31, 2021, we had 1,067 employees.

We believe in attracting, training and retaining young employees to build a base of knowledge and expertise for the future.

We have adopted several policies to incentivise our employees, improve retention and to enhance their productivity.

Our remuneration package consists of fixed salaries and performance linked bonus.

Property

Our registered office is located in Ahmedabad, Gujarat and our corporate office is located in Mumbai, Maharashtra. As of December 31, 2021, our operations were spread across over 110 branches in India. While our Registered Office is owned by us, a majority of our offices and branches, including our Corporate Office, are operated from licensed premises.

Insurance

We have insurance policies providing coverage for our assets against losses from fire, theft, cyber risks and certain other risks. We also maintain insurance policies against third-party liabilities, including an errors and omissions policy, keyman insurance policies, stock brokers indemnity policy, group personal accident policy and a group health insurance policy to cover the medical expenses incurred by our employees during hospitalisation.

We believe our properties are covered with adequate insurance. However, we could nevertheless experience a material loss as a result of an unforeseeable series of catastrophic events, systemic adverse circumstances, or other adverse occurrences not currently foreseeable and/or are not commercially insurable. For more information, see "*Risk Factors – Our insurance coverage may not be adequate to protect us against all potential losses, which may have a material adverse effect on our business, financial condition and results of operations*" on page 47.

Intellectual Property

Our intellectual property includes trademarks associated with our business. We have registered various trademarks associated with our business. We regard our trademarks as important to our success.

As on date of this Prospectus, we have applied for thirteen trademark registrations under the Trademarks Act, 1999; of which ten trademarks are registered, one trademark application is presently objected; one trademark application is presently opposed;and one trademark applications has been accepted and advertised,

KEY REGULATIONS AND POLICIES IN INDIA

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to us. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The description of the applicable regulations provided below may not be exhaustive and are only intended to provide general information to the Bidders and are neither designed nor intended to substitute for professional legal advice. For details of certain key government approvals obtained by us, please see the section entitled "Government and Other Approvals" on page 305.

The statements below are based on the current provisions of Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions.

SEBI Act

The main legislation governing the activities in relation to the securities markets in India is the SEBI Act and the rules, regulations and notifications framed thereunder. The SEBI Act was enacted to provide for the establishment of SEBI whose function is to protect the interests of investors and to promote the development of, and to regulate, the securities market. The SEBI Act also provides for the registration and regulation of the function of various market intermediaries including stock brokers, depository participants, merchant bankers, portfolio managers, investment advisers, and research analysts. The SEBI Act was also recently amended vide the Finance Act, 2021 to provide for the registration and regulation of alternative investment funds or business trusts that are defined in clause (13A) of section 2 of the Income-tax Act, 1961. It has also been clarified that the power of SEBI shall not extend to an International Finance Services Centre set up under sub-section (1) of section 18 of the Special Economic Zones Act, 2005.

Pursuant to the SEBI Act, SEBI has formulated various rules and regulations to govern the functions and working of these intermediaries. SEBI also issues various circulars, notifications and guidelines from time to time in accordance with the powers vested with it under the SEBI Act. SEBI has the power to impose (i) monetary penalty under the SEBI Act and the regulations made thereunder, and (ii) penalties prescribed under various regulations, including suspending or cancelling the certificate of registration of an intermediary and initiating prosecution under the SEBI Act. Further, SEBI has the power to conduct inspection of all intermediaries in the securities market, including, stock brokers, investment advisers, merchant bankers, underwriters, research analysts, to ensure, amongst others, that the books of account are maintained in the manner required in accordance with applicable law.

SCRA

The SCRA was enacted to prevent undesirable transactions in securities by regulating the business of dealing in securities, by providing for certain matters connected therewith. The SCRA provides, amongst other things, the definition of 'securities', the manner and procedure for recognition of stock exchanges, and provides recognised stock exchanges the powers to make bye laws for regulation and control of contracts for, or relating to, the purchase or sale of securities.

SCRA was recently amended vide the Finance Act, 2021 to bring pooled investment vehicles within its ambit. The definition of pooled investment vehicle has been included and the definition of "securities" has correspondingly been amended to also include units or any other instrument issued by any pooled investment vehicle. Additionally, pooled investment vehicles have been made eligible to borrow and issue debt securities in the manner prescribed by SEBI.

SCRR

The SCRR provides, among other things, the requirements with respect to listing of securities on a recognised stock exchange, the manner of submitting applications for recognition of stock exchanges, and the qualifications for membership of a recognised stock exchange. It also empowers SEBI to appoint persons to inspect the books of accounts and other documents to be maintained and preserved by every member of a recognised stock exchange, in terms of these rules.

SEBI Stock Brokers Regulations

The SEBI Stock Brokers Regulations provide that no person shall act as stock broker or clearing member unless he holds a certificate granted by SEBI under these regulations. The SEBI Stock Brokers Regulations, lay down, amongst other things, the eligibility criteria, the conditions for grant of certificate to a stock broker or clearing member and their general obligations and responsibilities. Further, every stock broker or clearing member is required to abide by the code of conduct as specified under the SEBI Stock Brokers Regulations.

Pursuant to the SEBI circular dated August 3, 2018, SEBI decided to discontinue with sub-brokers as intermediaries to be registered with SEBI. Accordingly, no fresh registration has been granted to any person to act as a sub-broker and all registered sub-brokers were given time until March 31, 2019, to migrate to act as an 'Authorised Person' and/or a trading member. A sub- broker who failed to migrate to act as an 'Authorised Person' and/or a trading member was deemed to have surrendered their registration with SEBI as a sub-broker with effect from March 31, 2019. Upon the successful migration from a sub-broker to an 'Authorised Person', the certificate of registration as a sub-broker granted by SEBI stands withdrawn.

Pursuant to the SEBI (Stock Broker) (Amendment) Regulations, 2021, the regulations now allow stock brokers to act as underwriters provided they enter into a valid agreement with the body corporate on whose behalf they are acting as underwriter and abide by the regulations made under the Act. It has also been clarified that every stock broker shall be entitled to act as an underwriter only out of its own net worth/funds as may be prescribed from time to time.

Stock Exchange Rules, Regulation, Bye laws and Notices issued from time to time

Given that our Company is a trading and clearing member of BSE and NSE, and PBSPL is a trading and clearing member of BSE, NSE, MCX, NCDEX and MSEI, we are governed by the rules and regulations, bye laws and notices of such exchanges, as amended from time to time. The relevant exchange is empowered under the SCRA to make its own bye laws and rules to deal with its members and regulations to govern/ regulate the relations between the members and the constituents. Further, the SEBI Master Circular dated October 25, 2019 regarding stock exchanges and clearing corporations provides for, amongst other things, the manner of trading, trading software and technology, settlement, exchange traded derivatives, comprehensive risk management for cash market, the administration of stock exchanges and client-broker dispute resolution mechanism. Stock exchanges may undertake inspection of stock brokers based on the inspection policy specified by SEBI. Further, we are also governed by the bye-laws of CDSL.

SEBI Investment Advisers Regulations

The SEBI Investment Advisers Regulations provide that no person shall act as an investment adviser unless he holds a certificate granted by SEBI under these regulations. The SEBI Investment Advisers Regulations, lays down, amongst other things, the eligibility criteria, conditions for grant of certificate to an investment adviser and its general obligations and responsibilities. Further, every investment adviser is required to abide by the code of conduct as specified under the SEBI Investment Advisers Regulations at all times.

SEBI Mutual Funds Regulations and AMFI Guidelines

The SEBI Mutual Funds Regulations govern the law pertaining to the business of mutual funds in India. SEBI has made it mandatory for all mutual funds to appoint agents/distributors who are registered with AMFI. In case of firms/companies, the requirement of certification from National Institute of Securities Markets is made applicable to the persons engaged in sales or distribution of mutual fund products.

AMFI has issued guidelines for intermediaries in consonance with the SEBI Master Circular for Mutual Funds dated August 24, 2020. The primary objective of the AMFI Guidelines is to ensure that mutual fund intermediaries do not use unethical means to sell, market or induce any investor to buy units of their scheme(s) and mobilize funds on the strength of professional fund management and good practices. The AMFI Guidelines are mandatory and all such intermediaries are required to strictly comply with the code of conduct prescribed by AMFI.

SEBI Code of Conduct for Intermediaries of Mutual Funds

The SEBI code of conduct for intermediaries, including distributors of mutual funds, prescribes comprehensive guidelines in order to empower investors through transparency in the payment of commission and the load structure and thereby mandating distributors to disclose all commissions. In a 16-point code of conduct, SEBI has emphasised that clients' interests are to be protected and that intermediaries should highlight the risk factors of each scheme and avoid misrepresentation and exaggeration.

SEBI Research Analysts Regulations

The SEBI Research Analysts Regulations provide that no person shall act or hold itself out as a research analyst or a research entity unless such person holds a certificate granted by SEBI under these regulations. The SEBI Research Analysts Regulations, lay down, amongst other things, the eligibility criteria, conditions for grant of certificate to research analyst and its general obligations and responsibilities. Further, every research analyst is required to abide by the code of conduct as specified under the SEBI Research Analysts Regulations.

SEBI Intermediaries Regulations

The SEBI Intermediaries Regulations provide amongst other things, the manner of application for registration as an intermediary with SEBI, and the period of validity of the registration certificate. Further, the SEBI Intermediaries Regulations provides the general obligations of intermediaries, the appointment of compliance officer and the manner of redressal of investor grievances. All intermediaries are required to compulsorily abide by the code of conduct as specified under the SEBI Intermediaries Regulations. The SEBI Intermediaries Regulations also provide the criteria for determining "fit and proper person" for the purpose of other SEBI regulations, including the SEBI Merchant Bankers Regulations, the SEBI Stock Brokers Regulations, the SEBI Portfolio Managers Regulations, the SEBI Investment Advisers Regulations and the SEBI Research Analysts Regulations.

SEBI Certification of Associated Persons Regulations

The SEBI Certification of Associated Persons Regulations provide that any category of associated persons (as defined in terms of these regulations) may be required to obtain the requisite certifications for engagement or employment with intermediaries by SEBI. Through several notifications, SEBI has required approved users and sales personnel of trading members in currency derivative and equity derivative segments, distributors of mutual fund products, key managerial personnel of merchant bankers, compliance officers of intermediaries, research analysts and certain persons associated with stock brokers, trading members or clearing members to obtain the prescribed certification from National Institute of Securities Markets.

SEBI Depositories and Participants Regulations

The SEBI Depositories and Participants Regulations provide, amongst other things, the manner of application for registration as a depository and a participant with SEBI. It provides the criteria for determining "fit and proper person" for the purposes of being considered as a depository. Further, the SEBI Depositories and Participants Regulations provides for the prescribed equity shareholding of a sponsor, a person or a participant in the capital of the depository. All depositories that have been granted a certificate of registration, are required to make an application to SEBI for commencement of business. The SEBI Depositories and Participants Regulations provide for rights and obligations of depositories, participants, issuers, manner of surrender of certificate and creation of pledge. It further prescribes the mechanism for investor protection, evaluation of internal systems, manner for handling share registry work and liability of a participant or a depository in case of default.

SEBI Intermediaries Circular on Conflicts

The SEBI Intermediaries Circular on Conflicts prescribes comprehensive guidelines to intermediaries and their associated persons for elimination of conflicts of interest. It prescribes guidelines for avoiding, dealing with, or managing, conflict of interest, including, developing internal procedures, maintaining high standards of integrity in conduct of business and developing an internal code of conduct to govern operations, appropriately disclosing potential sources or areas of conflict to clients and formulating standards of appropriate conduct in performance of their activities, which are in addition to the codes of conduct prescribed under relevant regulations governing intermediaries.

IRDAI (Insurance Brokers) Regulations, 2018

Insurance brokers are granted a certificate of registration by the IRDAI in accordance with the Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2018 and are, inter alia, required to adhere to the capital requirements, maintenance of minimum net worth, deposit requirements. They also have to adhere to a code of conduct as prescribed by the regulations. The maximum commission or remuneration payable by life insurers on insurance products to such brokers is set out under Insurance Regulatory and Development Authority of India (Payment of Commission or Remuneration or Reward to Insurance Agents and Insurance Intermediaries) Regulations, 2016.

PFRDA (POP) Regulations

PFRDA, in order to regulate and encourage an independent, strong and effective distribution channel for National Pension System, has framed PFRDA (POP) Regulations. The PFRDA (POP) Regulations provides, amongst others, the eligibility and procedure for obtaining the certificate of registration to carry on business as point of presence. Further, every point of presence is required to adhere to a code of conduct prescribed under the PFRDA (POP) Regulations. PFRDA has powers to conduct inspection of point of presence to, ensure, amongst others, that the books of accounts are being maintained in the manner required under applicable law.

RERA Act

The Real Estate (Regulation and Development) Act, 2016 ("**RERA Act**") was enacted for, among others, regulation and promotion of the real estate sector and to ensure sale of plot, apartment or building, as the case may be, or sale of real estate project, in an efficient and transparent manner and to protect the interest of consumers in the real estate sector and to establish an adjudicating mechanism for speedy dispute redressal and for matters connected therewith or incidental thereto. The RERA Act provides that no real estate agent shall facilitate the sale or purchase of or act on behalf of any person to facilitate the sale or purchase of any plot, apartment or building, as the case may be, in a real estate project or part of it, without obtaining registration under the RERA Act, or unless it is registered with the Real Estate Regulatory Authority. The RERA Act prescribes certain additional duties for real estate agents such as maintenance of books of accounts, records and documents, non-involvement in unfair trade practices, facilitating the possession of all information and documents which the allottee is entitled to etc. We are also required to comply with the rules and regulations issued under the RERA Act by the state governments, including the Maharashtra Real Estate Regulatory Authority (General) Regulations, 2017, Gujarat Real Estate (Regulation and Development) (General) Rules, 2017, Karnataka Real Estate (Regulation and Development) Rules, 2017.

Laws relating to employment

The following is an indicative list of labour laws applicable to the business and operations of Indian companies as may be applicable in each state:

- Employees' Compensation Act, 1923;
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- Employees' State Insurance Act, 1948;
- Maternity Benefit Act, 1961;
- Minimum Wages Act, 1948;
- Payment of Gratuity Act, 1972;
- Payment of Bonus Act, 1965;
- Payment of Wages Act, 1936;
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- The Equal Remuneration Act, 1976; and
- Shops and Establishments Act, 1947.

To rationalize and reform labour laws in India, the Government has enacted the following codes:

- Code on Wages, 2019, which regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.

- Code on Social Security, 2020, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act ,1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the employee's provident fund and the employee's state insurance corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees suffer, among others.

- While certain portions of the Code on Wages, 2019 as well as the Code on Social Security, 2020 have now been notified by the Ministry of Labour and Employment, the remainder of these codes shall become effective on the day that the Government shall notify for this purpose.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated on June 4, 2003, as '*Prudent Corporate Advisory Services Limited*', a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the RoC. Our Company commenced its operations pursuant to a certificate for commencement of business dated June 20, 2003, issued by the RoC.

Changes in our Registered Office

The details of changes in the registered office of our Company are given below:

Date of change of Registered Office	Details of the address of Registered Office	Reasons for change
April 23, 2018	From: 701, Sears Tower, Off CG Road, Gulbai Tekra, Ahmedabad 380 006, Gujarat. To: Prudent House, 3 Devang Park Society, Panjarapole Cross Road, Ambawadi, Ahmedabad 380 015, Gujarat.	Operational and administrative convenience

Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as follows:
"

1. *To act as consultants, agents and advisors in all the respective branches of mutual funds and allied services, investment advisory services and in such capacity to give advice and information and tender services to persons, firms, company or body incorporate or authority or Government which may be given or rendered while carrying in such business as aforesaid.*

2. *To act as consultants, agents, corporate agents, brokers, intermediaries and advisors in all the respective branches of sell, buy, rental, lease, leave & license basis or deal in any other manner land, plots, houses, apartments, premises, bungalows, flats, units, sheds, shops, offices, shopping malls, godowns, service apartments, hotels, business centers, multiplexes, and other commercial and residential premises, and to provide in connection thereto all facilities and services.*

3. *To act as intermediaries, agents, corporate agents, consultants, brokers and advisors in all respective branches for all types of financial services and financial instruments, Manpower Planning and activities which are incidental or ancillary therewith to carry on business as aforesaid.*

4. *To carry on the business of Corporate Advisory Services, manage portfolio of securities as registered Portfolio Manager, Investment Advisors or Research Analyst by acquiring membership under Securities and Exchange Board of India or other relevant Authority as may be required and to carry on any activity which is primary or ancillary in connection to the said business activities. Further to carry on business of wealth management, broking of all kind in India and outside subject to various Rules and Regulations of Securities and Exchange Board of India or other relevant Authority as may be required, and to provide services like Merchant Banking in all aspects, managers to the issues, market makers, Registrar to the issue, share transfer agents, investment counseling, depository participants, consultants, analytics, critics, publishers, advisers, brokers, agent or commission agents in all kinds of financial products in India and anywhere in the world."*

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of the Offer. For further details, please see the section entitled "*Objects of the Offer*" on page 81.

Amendments to the Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the 10 years preceding the date of this Prospectus.

Date of Shareholders' Resolution	Particulars
July 23, 2021	Amendment to Clause V of our MoA to reflect the split in authorised share capital from ₹ 250,000,000 divided into 24,000,000 Equity Shares of ₹ 10 each and 1,000,000 preference shares of ₹ 10 each to ₹ 250,000,000 divided into divided into 48,000,000 Equity Shares of face value of ₹ 5 each and 2,000,000 Preference Shares of face value of ₹ 5 each.
July 23, 2021	Amendment to Clause V of our MoA to reflect increase in authorised share capital from ₹ 150,000,000 divided into 14,000,000 equity shares of ₹ 10 each and 1,000,000 preference shares of ₹ 10 each to ₹ 250,000,000 divided into 24,000,000 Equity Shares of ₹ 10 each and 1,000,000 preference shares of ₹ 10 each.
May 28, 2019	Amendment to Clause IIIA, the 'main objects' clause of our MoA to add Clause III(A)(4).
April 30, 2018	Amendment to Clause V of our MoA to reflect increase in authorised share capital from ₹ 20,000,000 divided into 2,000,000 equity shares of ₹ 10 each to ₹ 150,000,000 divided into 14,000,000 equity shares of ₹ 10 each and 1,000,000 preference shares of ₹ 10 each.
April 30, 2018	Amendment to Clause IIA, the 'main objects' clause of our MoA to delete the existing Clauses III(A)(2) and III (A) (5).
June 16, 2016	Amendment to Clause V of our MoA to reflect increase in authorised capital from ₹ 10,000,000 divided into 1,000,000 equity shares of ₹ 10 each to ₹ 20,000,000 divided into 2,000,000 equity shares of ₹ 10 each.
January 21, 2013	Amendment to Clause IIIA, the 'main objects' clause of our MoA to replace the existing Clause 4 and insert a new Clause 5.
December 12, 2011	Amendment to Clause IIIA, the 'main objects' clause of our MoA to insert a new Clause 4.

Major events and milestones of our Company

The table below sets forth the major events and milestones in the history of our Company:

Year	Particulars
2000	Started offering financial services in the name 'Prudent Fund Manager'
2003	Incorporation of our Company
2003	Obtained ARN to provide Mutual Fund Distribution services
2006	Launched Partner Network
2010	Launched Property Advisory /Distribution services
2016	Obtained SEBI RIA license to provide Investment Advisory services
2016	Obtained the PFRDA Point of Presence license for NPS Distribution
2016	Launched Fundzbazar platform (www.fundzbazar.com)
2017	Launched NPS on Fundzbazar
2017	Obtained RERA Real Estate Agent License in Gujarat
2017	Obtained RERA Real Estate Agent License in Maharashtra
2017	Launched Online paperless empanelment for Mutual Fund Distributors
2017	Crossed an AUM of ₹ 100,000 million
2018	Launched Fundzbot on Fundzbazar
2019	Launched Prudent Private Wealth
2019	Launched fixed income investment options (bond investing) on Fundzbazar
2019	Crossed an AUM of ₹ 200,000 million
2020	Launched Creditbasket (www.creditbasket.com)
2020	Obtained registration from SEBI to act as a stock broker under the SEBI Stock Brokers Regulations
2021	Launched stock broking on Fundzbazar
2021	Launched LakshMe - A CSR intiative (www.lakshme.com)
2021	Obtained RERA Real Estate Agent License in Karnataka
2021	Crossed an AUM of ₹ 300,000 million

Key Awards, Accreditations and Recognition

Our Company has received the following key awards, accreditation and recognition:

Year	Particulars
2009	Award for the Best Performing Regional Financial Advisor – (West) by UTI Mutual Fund and CNBC-TV18 at the Financial Advisor Awards 08-09
2010	Award for the Best Performing Regional Financial Advisor (West) by UTI Mutual Fund and CNBC-TV18 at the Financial Advisor Awards 2010
2012	Award for the Best Performing Regional Financial Advisor (West) by UTI Mutual Fund and CNBC-TV18 at the Financial Advisor Awards 2012
2013	Award for the Best Performing Regional Financial Advisor – (West) by UTI Mutual Fund and CNBC-TV18 at the Financial Advisor Awards 2012-13
2014	Award for the Best Performing Regional Financial Advisor – (West) by UTI Mutual Fund and CNBC-TV18 at the Financial Advisor Awards 2013-14
2020	You & I Excellence Award 2020 for Highest Overall AUM National Distributor by Kotak Mutual Fund

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation or revaluation of assets in the last 10 years

Except as disclosed below, our Company has neither acquired or divested any business or undertaking nor has undertaken any merger or amalgamation or revaluation of assets in the 10 years preceding the date of this Prospectus:

Acquisition of MF folio/AUM of Karvy Stock Broking Limited

Pursuant to the board resolution dated September 23, 2021, our Company participated in the bidding process for the acquisition/ transfer of MF Folio/AUM of Karvy Stock Broking Limited and acquired the entire mutual fund folios/ AUM of Karvy Stock Broking Limited by submitting the bid for an amount of ₹ 1,510 million. The Company had taken an unsecured loan of ₹760 million from Sanjay Shah at the rate of 8% per annum, pursuant to an Unsecured Loan Agreement dated October 27, 2021, for meeting the funds requirement for acquisition of MF Folios' held by Karvy which has already been repaid. The merger of the mutual fund folios /AUM of Karvy Stock Broking Limited was completed by November 28, 2021. Post acquisition of KSBL MF AUM, we acquired 0.86 million folios comprising of 0.48 million unique investors having an AUM of 80,922.66 million.

Acquisition of Gennext

Our Company entered into a share purchase agreement dated June 8, 2018 with Gennext, Maitry Shah, Chirag Shah and Harshida Patel ("**SPA**"), pursuant to which our Company acquired 870,000 fully paid up equity shares of Gennext representing 100% of the total issued and paid up equity share capital of Gennext on a fully diluted basis, for an aggregate consideration of approximately ₹ 22.66 million. The fair market value per equity share of Gennext as certified by Patel & Panchal, Chartered Accountants, by way of a certificate dated May 20, 2018 was ₹ 26.04 per equity share. Our Company has inter-alia received certain customary representations and warranties from Maitry Shah, Chirag Shah and Harshida Patel ("**Sellers**") in relation to the title to the shares of Gennext, non-existence of pre-emption rights, lock-in etc. on the shares of Gennext and the Sellers being the sole, absolute legal and beneficial owners of the equity shares of Gennext, free of all encumbrances. In terms of the SPA, our Company agreed to acquire Gennext subject to completion of certain conditions precedent i.e., (a) Gennext having obtained the approval of the IRDAI for the sale of its equity shares from the Sellers to our Company; and (b) the Sellers having obtained the relevant certificate under the Income Tax Act in relation to the consummation of the transactions contemplated in the SPA.

The acquisition was completed on April 3, 2019 and Gennext became a subsidiary of our Company with effect from April 3, 2019. For further details on the impact of the acquisition of Gennext, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 265. A copy of the certificate dated May 20, 2018 certifying the fair market value per equity share is available for inspection as a material document. For details, see "*Material Contracts and Documents for Inspection*" on page 385.

Guarantees given to third parties by a promoter offering its Equity Shares

Our Promoter is not participating in the Offer.

Shareholders' Agreements

Except as disclosed below, there are no other subsisting agreement which are material to our Company for disclosure:

Shareholders Agreement ("SHA") and Share Purchase and Share Subscription Agreement ("SPSSA"), each dated June 8, 2018, entered into among our Company, Wagner, our Promoter, Shirish Patel, Harshida Patel, certain members of our Promoter Group, Subsidiaries, and Prudent Comder Private Limited (since amalgamated with PBSPL) and amendment agreement dated July 26, 2021

Pursuant to the SPSSA, Wagner purchased (i) an aggregate of 412,500 equity shares of face value of ₹ 10 each of our Company, representing 39.91% of the Equity Shares capital of our Company, from Shirish Patel, Harshida Patel, and certain members of our Promoter Group, for an aggregate consideration of approximately ₹ 2,490.54 million; and subscribed to 1,567 compulsorily convertible preference shares for an aggregate consideration of approximately ₹ 9.46 million. Wagner holds 40 % of our share capital (including 8,281,340 Equity Shares offered pursuant to the Offer for Sale), as on the date of this Prospectus.

In accordance with the terms of the SHA, Wagner has certain rights and obligations including, among others, pre-emptive rights in the event our Company issues any new securities, the right to nominate at least two non-rotational directors on our Board as long as Wagner holds at least any Equity Share in the Company, right to appoint alternate director, presence of director nominated by Wagner to constitute quorum for board and shareholders meetings, certain affirmative voting rights, exit rights, rights of first offer and tag-along rights in the event of certain proposed transfer of shares by other parties and certain information rights.

Further, our Promoters also have certain rights under the Shareholders' Agreement, including the right to nominate directors on our Board, presence of director nominated by Promoter or members of Promoter Group, as applicable, to constitute quorum for board and shareholders meetings, a tag-along right in respect of certain proposed transfer of shares by other parties.

In accordance with the terms of the amendment agreement dated July 26, 2021 ("**Amendment Agreement**"), the Shareholders' Agreement will automatically get revised upon the listing and trading of the Equity Shares on the Stock Exchanges, without requiring any further action by any party. Further, in terms of Amendment Agreement and Part A of our Articles of Association (which will become effective from the commencement of listing of our Equity Shares on the Stock Exchanges pursuant to this Offer), Wagner will have the right to nominate one Director on our Board, so long as Wagner holds at least 5% of *the issued and paid up share capital of the Company calculated on a fully diluted basis* fully, *which shall not be liable to retire by rotation,* subject to such right being approved by the members of the Company through a special resolution at the first general meeting of the Company held post completion of this Offer.

Other Agreements

Neither our Company, our Promoter nor any of the members of the Promoter Group, Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

As of the date of this Prospectus, our Company has not entered into any other subsisting material agreement including with strategic partners, joint venture partners or financial partners, which is not in the ordinary course of business carried on by our Company.

Except as disclosed in the section "*History and Certain Corporate Matters*" on page 166, there are no other agreements to which our Company is a party, which is material and which requires to be disclosed. Further, there are no other clauses or covenants which are adverse or pre-judicial to the interest of the public shareholders.

Revaluation of assets in the last ten years

Our Company has not undertaken any revaluation of its assets in the 10 years preceding the date of this Prospectus.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/ facility creation or location of plants

For information on key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/facility creation, location of our manufacturing facilities, please see the section entitled "*Our Business*" on page 143.

Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

There have been no defaults or rescheduling or restructuring of borrowings with financial institutions/banks in respect of our current borrowings from lenders. For further information of our financing arrangements, please see the section entitled "*Financial Indebtedness*" on page 264.

Time and cost overruns

There have been no time and cost overruns in the implementation of any of our projects.

Significant Strategic or Financial Partners

Our Company does not have any significant strategic or financial partners as on the date of this Prospectus.

Holding Company

As on the date of this Prospectus, our Company does not have a holding company.

Associate Companies

As on the date of this Prospectus, our Company does not have any associates.

Joint Ventures

As on the date of this Prospectus, our Company does not have any joint ventures.

Our Subsidiaries

As of the date of this Prospectus, our Company has three subsidiaries.

Prudent Broking Services Private Limited ("PBSPL")

Corporate Information

PBSPL was incorporated on July 14, 1995 at Ahmedabad, Gujarat as 'Navrang Securities Private Limited', a private limited company, under the Companies Act, 1956 and a certificate of incorporation was issued by the RoC. Thereafter, pursuant to a fresh certificate of incorporation consequent on change of name dated November 9, 2004 issued by the RoC, its name was changed to 'Prudent Broking Services Private Limited', The corporate identification number of PBSPL is U67120GJ1995PTC026716 and its registered office is located at 401, Sears Tower, Gulbai Tekra, Off C.G. Road, Ahmedabad 380 006.

Nature of Business

PBSPL is a SEBI registered stock broker and depository participant, and is a member of BSE, NSE, Metropolitan Stock Exchange and CDSL.PBSPL is primarily engaged in the business of providing services in equity (cash and derivatives), commodity and currency through terminals as well as the mobile application "PRUBAZAR".

Capital Structure

The capital structure of PBSPL is as follows:

The authorised share capital of PBSPL is ₹ 30,000,000 divided into 3,000,000 equity shares of face value of ₹ 10 each and the issued, subscribed and paid up share capital of PBSPL is ₹ 10,911,000 divided into 1,091,100 equity shares of face value of ₹ 10 each.

Shareholding Pattern

The shareholding pattern of PBSPL is as follows:

Sr. No.	Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of shareholding (%)
1.	Our Company	1,091,099	99.99%
2.	Sanjay Shah*	1	Negligible
	Total	**1,091,100**	**100.00**

**As a nominee director of our Company.*

Prutech Financial Services Private Limited ("Prutech")

Corporate Information

Prutech was incorporated on December 7, 2005 at Ahmedabad, Gujarat as 'Prudent Insurance Services Private Limited', a private limited company under the Companies Act, 1956 and a certificate of incorporation was issued by the RoC. Subsequently, pursuant to a fresh certificate of incorporation consequent upon change of name dated February 11, 2014 issued by the RoC, its name was changed to 'Prutech Financial Services Private Limited'. The corporate identification number of Prutech is U67200GJ2005PTC047212 and its registered office is located at Prudent House, 3 Devang Park Society, Panjarapole Cross Road, Ambawadi, Ahmedabad 380 015, Gujarat.

Nature of Business

Prutech is authorised by its memorandum of association to carry on the business to design, develop, apply, interpret, analyze, improve and buy, sell, import, export, acquire, license, operate, assemble, repair, recondition, alter, convert, improve, install and modify all types of software, software programmers, software engineers, software developers, software implementation, branding services, web designers, web hosting and server related services, web development, application development and integration, content development services, software solutions, software systems, development and support software and websites for financial planning, income tax, sales tax, VAT, service tax, telecommunication software, satellite communication software, radio communication software wireless communication software, corporate communication software, parallel communication software, collection, storing, tabulations, analysis and interpretation of data of all kinds, real time applications, web applications and hi-tech solutions to provide various reports and solutions generated from such solutions to the clients and also to provide advisory services to the client based on such solutions. As on the date of this Prospectus, Prutech does not have any major business operations.

Capital Structure

The capital structure of Prutech is as follows:

The authorised share capital of Prutech is ₹ 1,000,000 divided into 100,000 equity shares of face value of ₹ 10 each and the issued, subscribed and paid up share capital of Prutech is ₹ 1,000,000 divided into 100,000 equity shares of face value of ₹ 10 each.

Shareholding Pattern

The shareholding pattern of Prutech is as follows:

Sr. No.	Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of shareholding (%)
1.	Our Company	99,999	99.99%
2.	Sanjay Shah*	1	Negligible
	Total	**100,000**	**100.00**

**As a nominee director of our Company.*

Gennext Insurance Brokers Private Limited ("Gennext")

Corporate Information

Gennext was incorporated on July 7, 2010 at Delhi, India as a private limited company under the Companies Act, 1956 and a certificate of incorporation was issued by the Registrar of Companies, NCT of Delhi and Haryana, at New Delhi. The corporate identification number of Gennext is U66000GJ2010PTC080751 and its registered office is located at 306, Sears Tower, Off C.G. Road, Gulbhai Tekra, Ellisbridge, Ahmedabad 380 006, Gujarat.

Nature of Business

Gennext is registered with IRDAI as a Direct Insurance Broker (Life and General). Gennext provides both life and non-life insurance solutions offline as well as online through its portal 'Policyworld'.

Capital Structure

The authorised share capital of Gennext is ₹ 10,000,000 divided into 1,000,000 equity shares of face value of ₹ 10 each and the issued, subscribed and paid up share capital of Gennext is ₹ 8,700,000 divided into 870,000 equity shares of face value of ₹ 10 each.

Shareholding Pattern

The shareholding pattern of Gennext is as follows:

Sr. No.	Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of shareholding (%)
1.	Our Company	869,999	99.99%
2.	Sanjay Shah*	1	Negligible
	Total	**870,000**	**100.00**

**As a nominee director of our Company.*

Amount of accumulated profits or losses of the Subsidiaries not accounted for by the Company

As on the date of this Prospectus, there are no accumulated profits or losses of any of our Subsidiaries that have not been accounted for by our Company.

Interest in our Company

Except as provided in the sections entitled "*Our Business*" and "*Financial Information – Restated Consolidated Financial Information – Note 39 – Related party disclosures*", beginning on pages 143 and 249, respectively, none of our Subsidiaries have any business interest in our Company.

Common Pursuits

Certain of our Subsidiaries are engaged in the similar line of business as our Company. However, as on the date of this Prospectus, there is no material conflict of interest between our Company and our Subsidiaries. Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situation if and when they arise.

Other Confirmations

None of our Subsidiaries are listed on any stock exchange in India or abroad. Further, neither have any of our Subsidiaries been refused listing in the last ten years by any stock exchange in India or abroad, nor have any of our Subsidiaries failed to meet the listing requirements of any stock exchange in India or abroad.

OUR MANAGEMENT

Board of Directors

In terms of the Companies Act and our Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As on the date of this Prospectus, our Board comprises of eight Directors.

The following table sets forth details regarding our Board of Directors:

Sl. No.	Name, date of birth, designation, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
1.	**Sanjay Shah** ***Date of birth:*** June 23, 1967 ***Designation:*** Chairman and Managing Director ***Address:*** 23, Shivalika Bunglow, Rajpath Club, Ambali Bopal, Hebatpur, Ahmedabad 380 058, Gujarat ***Occupation:*** Business ***Current Term:*** Three years with effect from April 1, 2021 until March 31, 2024, in addition to being liable to retire by rotation ***Period of Directorship:*** Director since June 4, 2003 ***DIN:*** 00239810	54	***Indian Companies*** • Prudent Broking Services Private Limited • Prutech Financial Services Private Limited ***Foreign Companies*** NIL
2.	**Shirish Patel** ***Date of birth:*** July 18, 1977 ***Designation:*** Whole-time Director and Chief Executive Officer ***Address:*** 3902, Tower C, Oberoi Esquire, Off. Western Express Highway, Goregaon East, Mumbai 400 063 Maharashtra ***Occupation:*** Service ***Current Term:*** Two years and eight months with effect from August 1, 2021 until March 31, 2024, in addition to being liable to retire by rotation ***Period of Directorship:*** Director since July 31, 2018 ***DIN:*** 00239732	44	***Indian Companies*** • Prutech Financial Services Private Limited ***Foreign Companies*** NIL
3.	**Chirag Shah** ***Date of Birth:*** February 10, 1978 ***Designation:*** Whole-time Director	44	***Indian Companies*** • Gennext Insurance Brokers Private Limited ***Foreign Companies***

	Address: 19, Brindawan Society, Behind Bhulka Bhavan, Adajan, Surat 395 009, Gujarat ***Occupation:*** Service ***Current Term:*** Five years with effect from July 22, 2021 until July 21, 2026, in addition to being liable to retire by rotation ***Period of Directorship:*** Director since September 24, 2018 ***DIN:*** 01480310		NIL
4.	**Dhiraj Poddar** ***Date of Birth:*** November 3, 1974 ***Designation:*** Non-executive Director* ***Address:*** 001 Springs Island City Centre, Bombay Dyeing, G.D. Ambedkar Marg, Dadar East, Mumbai 400 014, Maharashtra ***Occupation:*** Service ***Current Term:*** Not liable to retire by rotation ***Period of Directorship:*** Director since July 13, 2018 ***DIN:*** 01946905	47	***Indian Companies*** • Indiaideas Com Limited • e-Zest Digital Solutions Private Limited • Atria Convergence Technologies Limited • Loylty Rewardz Management Private Limited • Fincare Small Finance Bank Limited • Indira IVF Hospital Private Limited • OmniActive Health Technologies Limited • Zifo Technologies Private Limited ***Foreign Companies*** • Accion Labs Holdings, Inc.
5.	**Deepak Sood** ***Date of Birth:*** October 27, 1964 ***Designation:*** Independent Director ***Address:*** A 1001, Lodha Bellissimo, N.M. Joshi Marg, Apollo Mills Compound, Mahalaxmi, Jacob Circle, Mumbai 400 011, Maharashtra ***Occupation:*** Business ***Current Term:*** Three years with effect from October 23, 2020 until October 22, 2023	57	***Indian Companies*** • Girnar Insurance Brokers Private Limited ***Foreign Companies*** NIL

Sl. No.	Name, date of birth, designation, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
	Period of Directorship: Director since October 23, 2020 ***DIN:*** 01642332		
6.	**Karan Kailash Datta** ***Date of Birth:*** February 20, 1971 ***Designation:*** Independent Director ***Address:*** R 641, 1st Floor, New Rajender Nagar, Central Delhi 110 060, Delhi ***Occupation:*** Business ***Current Term:*** Three years with effect from October 23, 2020 until October 22, 2023 ***Period of Directorship:*** Director since October 23, 2020 ***DIN:*** 08413809	51	***Indian Companies*** • Edelweiss Asset Management Limited ***Foreign Companies*** NIL
7.	**Shilpi Thapar** **Date of Birth:** January 28, 1979 **Designation:** Independent Director **Address:** D-54 Riviera Blues, Corporate Road, Opposite Vodafone House, Prahladnagar, Ahmedabad City, Ahmedabad 380 015, Gujarat **Occupation:** Professional **Current Term:** Term of two years with effect from June 7, 2021 until June 6, 2023 **Period of Directorship:** Director since June 7, 2021 **DIN:** 00511871	43	***Indian Companies*** • Amatra Solutions Private Limited ***Foreign Companies*** NIL
8.	**Aniket Talati** **Date of Birth:** November 15, 1985 **Designation:** Independent Director **Address:** 4, Rushil, behind Pride Hotel, Judges Bunglows Road, Bodakdev, Ahmedabad 380 054, Gujarat **Occupation:** Professional	36	***Indian Companies*** • ICAI Accounting Research Foundation • Gennext Insurance Brokers Private Limited • Extensible Business Reporting Language (XBRL) India ***Foreign Companies*** NIL

Sl. No.	Name, date of birth, designation, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
	Current Term: Term of two years with effect from June 7, 2021 until June 6, 2023 **Period of Directorship:** Director since June 7, 2021 **DIN:** 02724484		

**Nominee director of Wagner Limited.*

Relationship between our Directors

None of our Directors are related to each other or to any Key Managerial Personnel of our Company.

Brief Biographies of Directors

Sanjay Shah is the Chairman and Managing Director of our Company. He holds a bachelor's degree in business administration from Sardar Patel University and is a qualified chartered accountant. He has been admitted as a fellow member of the Institute of Chartered Accountants of India. He has been associated with our Company since its incorporation and has approximately two decades of experience in wealth management.

Shirish Patel is a Whole-time Director and the Chief Executive Officer of our Company. He holds a bachelor's degree and a master's degree in business administration for finance, and a diploma in computer applications from the Gujarat University. He has been associated with our Company since December 1, 2005. As the Chief Executive Officer of our Company, he has been instrumental in its business expansion and has expanded our branch network from five to 105 branches as on date. Prior to joining our Company, he has worked with Leading Edge, ICICI Bank Limited, ICICI Capital Services Limited and Citibank, N.A., India and has approximately 22 years of experience in wealth management.

Chirag Shah is a Whole-time Director of our Company. He holds a bachelor's degree in economics from South Gujarat University and is a qualified chartered accountant. He has been admitted as a fellow member of the Institute of Chartered Accountants of India. He has been associated with the Prudent Group since 2004 and is currently serving on the board of Gennext, our Subsidiary, managing and developing the insurance business. Additionally, he is also responsible for the human resource, administrative and compliance functions of the Prudent Group. He has previously been associated with National Securities Depository Limited and has approximately 17 years of experience across the insurance and compliance sectors.

Dhiraj Poddar is a Non-executive Director of our Company, a nominee director of Wagner on our Board. He holds a post-graduate diploma in management from the Indian Institute of Management, Ahmedabad and has been admitted as an associate of the Institute of Chartered Accountants of India. He is currently serving as the Country Head – India and Managing Director of TA Associates Advisory Private Limited, focusing on investments in companies in India and other emerging markets. He has also helped in investments across financial services, technology, business services and healthcare sectors. Previously he has been associated with ICICI Securities Limited, Progeon Limited, Standard Chartered Bank and has over 17 years of experience in private equity.

Deepak Sood is an Independent Director of our Company. He holds a bachelor's degree in science from University of Delhi, a bachelor's degree in law from University of Mumbai and a master's degree in science from University of Delhi. He is also a fellow of the Insurance Institute of India. Previously he has been associated with Navirisk Consulting LLP, United India Insurance Company Limited, Avantha Holdings Limited and Zurich Risk Management Services (India) Private Limited. He has also served as the head of business development at Bajaj Allianz General Insurance Company Limited, the managing director and chief executive officer of Future Generali India Life Insurance Company Limited, the chief executive officer – non life operations of Future Generali India, the chief representative RO of ERGO Insurance Group and the chief executive officer of Avantha Ergo Life Insurance Company Limited. He has over three decades of experience in the insurance sector.

Karan Kailash Datta is an Independent Director of our Company. He holds a bachelor's degree in commerce from the University of Delhi. He has previously been associated with Goldman Sachs (India) Securities Private Limited, Goldman Sachs Asset Management (India) Private Limited and Axis Asset Management Company Private Limited and has approximately ten years of experience in asset management.

Shilpi Thapar is an Independent Director of our Company. She holds a bachelor's degree in law and a bachelor's degree in commerce from the Gujarat University. She is also registered with the Insolvency and Bankruptcy Board of India as an insolvency professional. Further, she is a qualified company secretary and a fellow of the Institute of Company Secretaries of India. Currently, she is associated with Shilpi Thapar & Associates, Company Secretaries and has previously been associated with Kataria Automobiles Limited and Gujarat State Investments Limited. She has approximately 18 years of experience in legal and corporate governance matters.

Aniket Talati is an Independent Director of our Company. He holds a bachelor's degree in commerce from the University of Mumbai and a master's degree in commerce for finance and taxation from Indira Gandhi National Open University. He is also a qualified chartered accountant and has been admitted as a fellow of the Institute of Chartered Accountants of India. He was elected to the Twenty Fourth Council of the Institute of Chartered Accountants of India in 2018 from the Western India Regional Constituency. He has previously been associated with Lovelock & Lewes LLP, Chartered Accountants and is currently a partner at Talati & Talati LLP, Chartered Accountants. He has over ten years of experience as a qualified chartered accountant.

Confirmations

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Prospectus, during the term of his/her directorship in such company.

None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested as a member by any person either to induce them to become, or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

Further, none of our Directors have been identified as Wilful Defaulters or Fraudulent Borrower as defined under the SEBI ICDR Regulations.

None of our Directors have been or are directors on the board of any company that was or has been directed by any registrar of companies to be struck off from the rolls of such registrar of companies.

Terms of appointment of Executive Directors

Sanjay Shah

Pursuant to the resolutions passed by our Board on May 12, 2021 and our Shareholders on July 23, 2021, respectively, and in terms of the deed of agreement dated May 12, 2021, Sanjay Shah was re-appointed as the Managing Director of our Company, for a term of three years with effect from April 1, 2021 until March 31, 2024, in addition to being liable to retire by rotation on the following terms.

Particulars	Remuneration
Remuneration	• ₹ 19.35 million per annum, including salary, dearness allowance, perquisites and other allowances, benefits, amenities etc. • He shall not be entitled to receive any sitting fees for attending the meeting of the Board or committees thereof from the date of re – appointment.
Perquisites	Our Company shall reimburse any expenses incurred by him on behalf of our Company.
Notice for termination	The re – appointment may be terminated by the Company or Sanjay Shah by giving 3 months' prior notice in writing.

Shirish Patel

Pursuant to the resolution passed by our Board on May 12, 2021 and our Shareholders on July 23, 2021, respectively, and in terms of the deed of agreement dated May 12, 2021, Shirish Patel was re-appointed as the Chief Executive Officer of our Company for a period of three years from April 1, 2021 until March 31, 2024. Further, pursuant to the resolutions passed by our Board on July 22, 2021 and our Shareholders on July 23, 2021, respectively, he was re-designated as the Whole-time Director of our Company, for a term of two years and eight months with effect from August 1, 2021 until March 31, 2024, in addition to being liable to retire by rotation, on the following terms.

Particulars	Remuneration
Remuneration	₹ 32.67 million per annum, including salary, dearness allowance, perquisites and other allowances, benefits, amenities etc. He shall not be entitled to receive any sitting fees for attending the meeting of the Board or committees thereof.
Bonus	50% to 100% of the annual salary depending on the performance of our Company
Perquisites	(1) The following perquisites shall not be included in the computation of the ceiling of his remuneration: • contribution to provident fund, superannuation fund or annuity fund and benefits under any other scheme of our Company to the extent that these either singly of together are not taxable under the Income Tax Act; • gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and • encashment of leave at the end of his tenure. (2) Further, our Company shall reimburse any expenses incurred by him on behalf of our Company. (3) He shall also be entitled to the earned privileged leave on full pay and allowances as per the rules of our Company.
Notice for termination	The re – appointment may be terminated by the Company or Shirish Patel by giving 3 months' prior notice in writing.

Chirag Shah

Pursuant to the resolutions passed by our Board on July 22, 2021 and our Shareholders on July 23, 2021, respectively, Chirag Shah was appointed as the Whole-time Director of our Company, for a term of five years with effect from July 22, 2021 until July 21,2026, in addition to being liable to retire by rotation, on the following terms:

Particulars	Remuneration
Remuneration	He shall not draw any remuneration from the Company as he is currently drawing remuneration from Gennext
Perquisites	Perquisites, allowances and other benefits would be provided as per the HR policy of the Company and it would be considered aggregate remuneration except for the perquisites prescribed under Section IV of Part II of Schedule V of the Companies Act, 2013, if any provided by the Company, which shall not be included in the computation of the ceiling on remuneration in accordance with Section 197 of the Companies Act, 2013.
Other terms of conditions of appointment	i. The terms and conditions of the said appointment may be altered and varied from time to time by Sanjay Shah, Managing Director of the Company as he may in his discretion deem fit in such manner as may be agreed between Sanjay Shah, Managing Director of our Company and Chirag Shah subject to the compliance of provisions and schedule V of the Companies Act, 2013 and other applicable laws.

	ii. All personnel policies of the Company and the related rules which are applicable to other employees and Directors of our Company will also be applicable to Chirag Shah unless specifically provided otherwise. iii. The terms and conditions of appointment with Chirag Shah also include clauses pertaining to adherence with the code of conduct applicable to all Board Members and Senior Management Personnel of the Company, no conflict of interest with the company and maintenance of confidentiality.

Payments or benefits to Directors of our Company

Remuneration to Whole-time Directors

The managerial remuneration paid to our Whole-time Directors, for the Financial Year 2021 is as follows:

(₹ in million)

Name of Director	Remuneration for Financial Year 2021
Sanjay Shah	9.00
Shirish Patel	53.46
Chirag Shah	7.94

Sitting fees to Independent Directors

Pursuant to the resolution passed by our Board at its meeting held on July 22, 2021, each of our Independent Directors is entitled to receive sitting fees of ₹ 0.075 million per meeting for attending meetings of the Board. Further, our Non–executive and Independent Directors are entitled to receive commission, if any, approved by the Board and the Shareholders of our Company, within the limits prescribed under the Companies Act, and the rules made thereunder.

The sitting-fees and commission paid to our Independent Directors during Financial Year 2021 is as follows:

(₹ in million)

Name of Director	Sitting Fees and Commission for Financial Year 2021
Deepak Sood	0.90
Karan Kailash Datta	0.90
Aniket Talati	NIL
Shilpi Thapar	NIL

Arrangement or understanding with major Shareholders, customers, suppliers or others

Except for Dhiraj Poddar, our Non-executive Director, who is a nominee director of Wagner, appointed in terms of the SHA, none of our Directors have any arrangement or understanding with the major Shareholders, customers, suppliers or others, pursuant to which any of them were appointed on our Board or as a member of the senior management. For further details, see "*History and Certain Corporate Matters – Shareholders' Agreements*" on page 169.

Shareholding of Directors in our Company

As per our Articles of Association, our Directors are not required to hold any qualification shares.

Other than as disclosed under "*Capital Structure – Shareholding of our Directors and Key Managerial Personnel in our Company*" on page 78, none of our Directors hold any Equity Shares as on the date of this Prospectus.

Interest of Directors

Our Non-executive and Independent Directors may be deemed to be interested to the extent of the commission and sitting fees payable to them for attending meetings of our Board, and reimbursement of expenses available to them. Our Executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them by the Company and the Subsidiaries as stated in "*– Payments or benefits to Directors of our Company – Remuneration to Whole-time Directors*" on page 179.

Our Directors may also be regarded as interested in the Equity Shares held by them or by their relatives in the Company or in the Subsidiaries, if any or to the extent that our Directors are nominees of our Shareholders or are associated with our Shareholders, or that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees or promoters, as applicable, pursuant to this Offer. Our Directors may also be deemed to be interested to the extent of any variable pay as per the terms of their appointment, as applicable, dividend payable to them and other distributions in respect of such Equity Shares.

None of our Directors are interested in the contracts, transactions, agreements or arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity.

Interest in property

Our Company's office premises at 601 Sears Tower, Gulbai Tekra, Off C.G. Road, Ahmedabad – 380 006, Gujarat is owned by Sanjay Shah. He has given the said premises on leave and license basis for a period of 24 months with effect from May 1, 2021 subject to our Company paying a monthly license fee of ₹ 45,000

Except as disclosed above, our Directors have no interest in any property acquired by our Company or proposed to be acquired by our Company.

Interest in the promotion and formation of our Company

Except for Sanjay Shah, who is our Promoter and was an initial subscriber to our Memorandum of Association, none of our Directors have any interest in the promotion and formation of our Company.

Business interest

Except as stated in "*Other Financial Information – Related Party Transactions*" on page 262, and to the extent set out above under "*– Interests of Directors*" on page 179, our Directors do not have any other interest in our business.

Bonus or profit-sharing plan for the Directors

Except for Shirish Patel, none of our Directors are party to any bonus or profit-sharing plan of our Company.

Service contracts with Directors

For details, see "*– Terms of appointment of Executive Directors*" on page 177.

Changes in the Board in the last three years

Name	Date of Appointment/Change/ Cessation	Reason
Shirish Patel	August 1, 2021	Change in designation
Aniket Talati	July 23, 2021	Change in designation
Shilpi Thapar	July 23, 2021	Change in designation
Deepak Sood	July 23, 2021	Change in designation
Karan Kailash Dutta	July 23, 2021	Change in designation
Chirag Shah	July 22, 2021	Change in designation
Aniket Talati	June 7, 2021	Appointment
Shilpi Thapar	June 7, 2021	Appointment
Aditya Sharma	May 1, 2021	Cessation
Deepak Sood	October 23, 2020	Appointment
Karan Kailash Datta	October 23, 2020	Appointment

Borrowing Powers of Board

Pursuant to resolution passed by our shareholders in the EGM held on April 30, 2014, our Board is authorised to borrow any sum or sums of money, as and when required from time to time, including without limitation, whether in Indian rupees or foreign currency, from any one or more of our Company's bankers, any one or more persons, firms, bodies corporate, financial institutions, banks, government body, eligible foreign lender(s) or other acceptable source(s), whether by way of term loan(s), bank guarantees, equipment finance, cash credit facilities or the like, advances, deposits, loans, non-convertible debentures, bonds, suppliers credit or any other like securities or instruments, short term loans or otherwise and whether unsecured or secured notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose but, so however, that the total amount up to which the moneys may be borrowed by our Board and outstanding shall not exceed the sum of ₹ 1,000.00 million at any one time.

Corporate Governance

The provisions relating to corporate governance prescribed under the SEBI Listing Regulations will be applicable to us immediately upon listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of corporate governance with respect to composition of Board and constitution of the committees of the Board, including the audit committee, stakeholders' relationship committee, nomination and remuneration committee, corporate social responsibility committee and risk management committee by our Company and formulation and adoption of policies, as prescribed under the SEBI Listing Regulations.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations. The Board of Directors function either as a full board, or through various committees constituted to oversee specific operational areas.

As on the date of this Prospectus, our Board has eight Directors comprising of three Executive Directors, one Non-Executive Director and four Independent Directors including one woman Independent Director.

Committees of the Board

In addition to the committees of our Board detailed below, our Board may from time to time, constitute committees for various functions.

Audit Committee

The members of the Audit Committee are:

1. Karan Kailash Datta, *Chairman*;
2. Deepak Sood, *Member*;
3. Aniket Talati, *Member and*
4. Dhiraj Poddar, *Member*.

The Audit Committee was constituted by a meeting of the Board of Directors held on October 23, 2020 and reconstituted by a meeting of the Board of Directors held on July 22, 2021. The terms of reference of the Audit Committee were last revised by a meeting of the Board of Directors on July 22, 2021. The scope and functions of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations.

Terms of reference of the Audit Committee:

The Audit Committee shall have powers, including the following:

(1) to investigate any activity within its terms of reference

(2) to seek information from any employee and have full access to the information contain in the records of the company

(3) to obtain outside legal or other professional advice;

(4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and

(5) such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

The role of the Audit Committee shall include the following:

(1) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;

(2) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) formulation of a policy on related party transactions, which shall include materiality of related party transactions and making of omnibus approval of related party transactions;

(5) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(6) examining and reviewing, with the management, the annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:

a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013

b. Changes, if any, in accounting policies and practices and reasons for the same

c. Major accounting entries involving estimates based on the exercise of judgment by management

d. Significant adjustments made in the financial statements arising out of audit findings

e. Compliance with listing and other legal requirements relating to financial statements

f. Disclosure of any related party transactions; and

g. Modified opinion(s) in the draft audit report.

(7) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(8) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

(9) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(10) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

(11) scrutiny of inter-corporate loans and investments;

(12) valuation of undertakings or assets of the Company, wherever it is necessary;

(13) evaluation of internal financial controls and risk management systems;

(14) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(15) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(16) discussion with internal auditors of any significant findings and follow up there on;

(17) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(18) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(19) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

(20) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(21) reviewing the functioning of the whistle blower mechanism;

(22) monitoring the end use of funds raised through public offers and related matters;

(23) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

(24) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

(25) reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing; and

(26) carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

(27) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

(28) Such roles as may be prescribed under the Companies Act, SEBI Listing Regulations and other applicable provisions.

(29) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

  (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

The Audit Committee shall mandatorily review the following information:

(1) Management discussion and analysis of financial condition and results of operations;

(2) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

(3) Management letters / letters of internal control weaknesses issued by the statutory auditors;

(4) Internal audit reports relating to internal control weaknesses;

(5) The appointment, removal and terms of remuneration of the chief internal auditor;

(6) Statement of deviations in terms of the SEBI Listing Regulations:

  a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing

Regulations; and

b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.

(7) review the financial statements, in particular, the investments made by any unlisted subsidiary.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

1. Deepak Sood, *Chairman*;

2. Karan Kailash Datta, *Member*; and

3. Dhiraj Poddar, *Member*

The Nomination and Remuneration Committee was constituted by a meeting of the Board of Directors held on October 23, 2020 and was reconstituted by a meeting of the Board of Directors held on July 22, 2021. The terms of reference of the Nomination and Remuneration Committee were last revised by a meeting of the Board of Directors on July 22, 2021. The scope and functions of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations.

Terms of reference of the Nomination and Remuneration Committee:

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees which shall be placed on the website of the company and disclosed in the boards' report;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

(2) Formulation of criteria for evaluation of independent directors and the Board;

(3) Devising a policy on Board diversity;

(4) Identifying persons who are qualified to become directors and Key Managerial Personnel who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director);

(5) Analysing, monitoring and reviewing various human resource and compensation matters;

(6) Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(7) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(8) Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;

(9) Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws; and

(10) Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

1. Shilpi Thapar, *Chairperson;*

2. Aniket Talati, *Member*; and

3. Chirag Shah, *Member*

The Stakeholders' Relationship Committee was constituted by our Board of Directors at their meeting held on July 22, 2021. The scope and functions of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

Terms of reference of the Stakeholders' Relationship Committee:

(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report or balance sheet, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;

(2) review of measures taken for effective exercise of voting rights by shareholders;

(3) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(4) Advising for giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(5) review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;

(6) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and

(7) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

1. Karan Kailash Dutta, *Chairman;*

2. Sanjay Shah, *Member*;

3. Shilpi Thapar, *Member*; and

4. Chirag Shah, *Member*

The Corporate Social Responsibility Committee was constituted by our Board of Directors at their meeting held on March 12, 2015, and was reconstituted by our Board of Directors at their meeting held on July 22, 2021. The terms of reference of the Corporate Social Responsibility Committee were last revised by a meeting of the Board of Directors on July 22, 2021. The terms of reference of the Corporate Social Responsibility Committee of our

Company, as per Section 135 of the Companies Act, 2013 and the applicable rules thereunder, include the following:

Terms of reference of the Corporate Social Responsibility Committee:

(i) formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;

(ii) formulate and recommend an annual action plan in pursuance of its Corporate Social Responsibility Policy which shall list the projects or programmes undertaken, manner of execution of such projects, modalities of utilisation of funds, monitoring and reporting mechanism for the projects;

(iii) identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(iv) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (1) above and the distribution of the same to various corporate social responsibility programs undertaken by the Company;

(v) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(vi) review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

(vii) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and

(viii) exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

Risk Management Committee

The members of the Risk Management Committee are:

1. Sanjay Shah, *Chairman;*

2. Chirag Shah, *Member*;

3. Shirish Patel, *Member*;

4. Chirag Kothari, *Member;* and

5. Aniket Talati, Member.

The Risk Management Committee was constituted by our Board of Directors at their meeting held on July 22, 2021. The terms of reference of the Risk Management Committee of our Company include the following:

Terms of reference of the Risk Management Committee:

1. Formulating a detailed risk management policy which shall include:

(a) A framework for identification of internal and external risks specifically faced by the company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

(b) Measures for risk mitigation including systems and processes for internal control of identified risks.

(c) Business continuity plan;

2. Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks

associated with the business of the Company;

3. Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5. Keeping the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6. Reviewing the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);

7. Reviewing and assessing the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof;

8. Implementing and monitoring policies and/or processes for ensuring cyber security;

9. Framing, devising and monitoring risk management plan and policy of the Company;

10. Reviewing and recommend potential risk involved in any new business plans and processes;

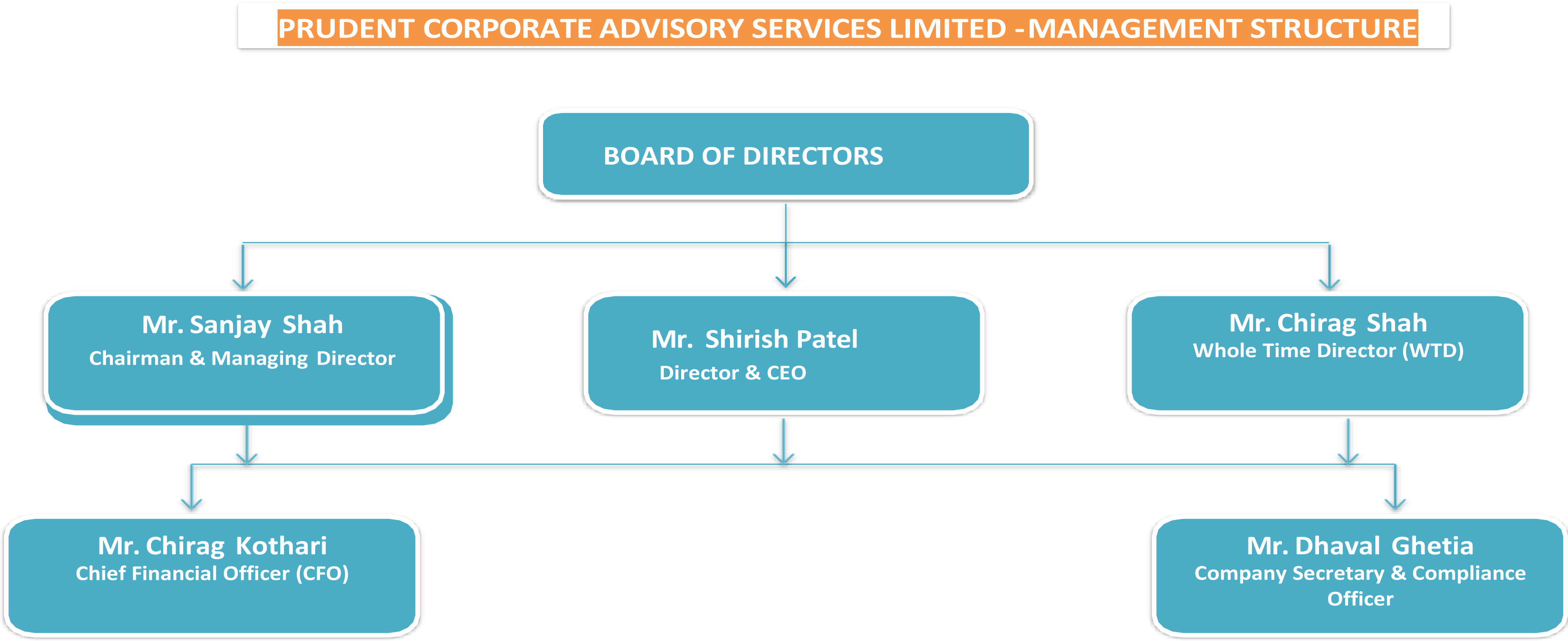
11. Reviewing the Company's risk-reward performance to align with the Company's overall policy objectives;

12. Monitoring and reviewing regular updates on business continuity;

13. Advising the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and

14. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

Management Organisation Chart



Key Managerial Personnel

The details of the Key Managerial Personnel, in addition to Sanjay Shah, Shirish Patel and Chirag Shah are set out below.

None of the Key Managerial Personnel are related to each other.

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

The details of our other Key Managerial Personnel are as follows:

Chirag Kothari is the Chief Financial Officer of our Company. He holds a bachelor's degree in business administration from North Gujarat University. He is a qualified company secretary and is also a fellow member of the Institute of Company Secretaries of India. He has 15 years of experience in the finance sector. He has been associated with our Company since March 2006 and was previously serving as the head of account and finance, responsible for the financing and accounting functions of the Prudent Group. In Fiscal 2021, he received a gross compensation of ₹ 2.25 million from our Company.

Dhavalkumar Ghetia is the Company Secretary and Compliance Officer of our Company. He holds a bachelor's degree in commerce from Saurashtra University. He is a qualified company secretary and is also an associate of the Institute of Company Secretaries of India. He has approximately five years of experience in the field of corporate law and secretarial matters. He has previously been associated with M S Buchasia & Associates, Sheetal Cool Products Limited, Aashka Hospitals Limited and Shri Krupa Decorative Veneer Private Limited. He has not received any gross compensation from our Company in Fiscal 2021.

Shareholding of Key Managerial Personnel

Other than as disclosed under "*Capital Structure – Shareholding of our Directors and Key Managerial Personnel in our Company*" on page 78, none of our Key Managerial Personnel hold any Equity Shares as on the date of this Prospectus.

Bonus or profit-sharing plan of the Key Managerial Personnel

Except for Shirish Patel, none of the Key Managerial Personnel is party to any bonus or profit-sharing plan of our Company. For details, please see " – *Terms of appointment of Executive Directors*" on page 177.

Arrangement or understanding with major shareholders, customers, suppliers or others

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any Key Managerial Personnel was selected as a Key Managerial Personnel or member of senior management.

Contingent and deferred compensation payable to Key Managerial Personnel

Except for Shirish Patel, there is no contingent or deferred compensation payable to Key Managerial Personnel by our Company, including compensation payable at a later date.

Payment or Benefit to officers of our Company (non-salary related)

Except for any statutory payments made by our Company, no non-salary related amount or benefit has been paid or given within the two preceding years or intended to be paid or given to any officer of our Company, including Key Managerial Personnel.

Attrition rate of Key Managerial Personnel

The attrition rate of our Key Managerial Personnel is not high compared to the industry in which our Company operates.

Retirement and termination benefits

Except for the applicable statutory benefits, none of our Key Managerial Personnel would receive any benefits on their retirement or on termination of their employment with our Company.

Changes in the Key Managerial Personnel

Except as disclosed in "– *Changes in the Board in the last three years*" and as disclosed below, there have been no changes in our Key Managerial Personnel in the last three years:

Name	Designation	Date of change	Reason for change
Chirag Kothari	Chief Financial Officer	July 22, 2021	Appointment
Dhavalkumar Ghetia	Company Secretary	July 22, 2021	Appointment

Employee Stock Option Plans

As on the date of this Prospectus, our Company does not have any employee stock options or stock purchase schemes.

OUR PROMOTER AND PROMOTER GROUP

Sanjay Shah is the Promoter of our Company. As on the date of this Prospectus, our Promoter currently holds an aggregate of 17,952,250 Equity Shares, equivalent to 43.36% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company. For further details, please see the section entitled "*Capital Structure*" on page 70.

Our Promoter

	**Sanjay Shah** Sanjay Shah (DIN: 00239810), aged 54 years, is the Chairman and Managing Director of our Company. He resides at 23, Shivalika Bunglow, Rajpath Club, Ambali Bopal, Hebatpur, Ahmedabad 380 058, Gujarat. His driver's license number GJ01 20000301307. His Aadhaarcard number is [redacted]. His permanent account number is ADKPS5513K.

Our Company confirms that the PAN, bank account number and passport number of Sanjay Shah were submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus.

For the complete profile of Sanjay Shah along with details of his date of birth, educational qualifications, experience in the business or employment, positions/posts held in past, directorships, special achievements, business and financial activities, please see the section entitled "*Our Management*" on page 173.

Other than as disclosed in this section, " – *Our Promoter Group*", "*History and Certain Corporate Matters*" and "*Our Management*" on pages 192, 166 and 173 respectively, Sanjay Shah is not involved in any other venture.

Interests of our Promoter

Our Promoter is interested in our Company to the extent (i) that he has promoted our Company; (ii) of his shareholding and the shareholding of his relatives in our Company and the dividend payable, if any, and other distributions in respect of the Equity Shares held by him and his relatives; (iii) of being a Director and Key Managerial Personnel and the remuneration, benefits and reimbursement of expenses payable by our Company to him; and (iv) that our Company has undertaken transactions with him, his relatives or entities in which our Promoter holds equity shares. For details regarding the shareholding of our Promoter and other interests in our Company, please see the sections entitled "*Capital Structure*" and "*Our Management*" on pages 70 and 173, respectively.

For details regarding the interest of our Promoter in the property acquired in the three years preceding the date of this Prospectus or proposed to be acquired by our Company, or in the transactions by our Company for acquisition of land, construction of building or supply of machinery, please see the section entitled "*Our Management*" on page 173.

Further, our Promoter is interested in our Company (i) to the extent of the equity shares held by him in our Subsidiaries, and the benefits accruing therefrom, and (ii) to the extent that Sanjay Shah is a director on the board of directors of certain of our Subsidiaries, PBSPL and Prutech. For details regarding the interest of our Promoter, please see the section entitled "*Our Management*" on page 173. For further details on how these business interests may impact the interest of our Company, please see the section entitled "*Risk Factors*" on page 27.

Our Promoter is not interested as a member in any firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to our Promoter or to any firm or company in which our Promoter is interested as a member, in cash or shares or otherwise by any person either to induce our Promoter to become, or qualify him as a director, or otherwise for services rendered by our Promoter or by such firm or company in connection with the promotion or formation of our Company.

Payment of benefits to our Promoter or our Promoter Group

Except as stated in "*Financial Information – Restated Consolidated Financial Information – Note 39 – Related party disclosures*", "*Our Management*" and "*Financial Information"* on pages 249, 173 and 197 respectively, no amount or benefit has been paid or given to our Promoter or members of our Promoter Group during the two years preceding the filing of this Prospectus nor is there any intention to pay or give any amount or benefit to our Promoter or members of our Promoter Group.

Material Guarantees

Our Promoter has not given any material guarantee to any third party with respect to the Equity Shares, as on the date of this Prospectus.

Companies or Firms with which our Promoter have disassociated in the last three years

Our Promoter has not disassociated himself from any company or firm in the three years immediately preceding the date of this Prospectus.

Change in the control of our Company

Our Promoter is the original promoter of our Company. Further, there has not been any change in the control of our Company in the five years immediately preceding the date of the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus.

Our Promoter Group

In addition to Sanjay Shah, the following individuals and entities form part of the Promoter Group of the Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations.

A. Natural persons forming part of the Promoter Group

Name of the Promoter	Name of the Relative	Relationship
Sanjay Shah	Niketa Sanjay Shah	Spouse
	Rameshchandra Shah	Father
	Late Mrs. Kokilaben Shah	Mother
	Sunitaben Dhuvad	Sister
	Sonal P. Mehta	Sister
	Maitry Shah	Daughter
	Sakhi Shah	Daughter
	Late Mr. Ashokkumar V Thekdi	Father of spouse
	Premilaben Thekdi	Mother of spouse
	Mayank Thekdi	Brother of spouse
	Hemang Thekdi	Brother of spouse
	Vimal Thekdi	Brother of spouse

B. Entities forming part of the Promoter Group

- Sanjay R Shah HUF
- Rameshchandra Shah HUF
- Skillnext Academy
- Gokulam Realtors
- Kokilaben Charitable Trust
- Sanjay Shah Family Trust

OUR GROUP COMPANY

In terms of the SEBI ICDR Regulations and pursuant to the resolution passed by our Board at its meeting held on August 6, 2021, group companies of our Company include (i) the companies (other than our Subsidiaries) with which our Company has entered into related party transactions as per Ind AS 24 as disclosed in the Restated Consolidated Financial Information, and (ii) other companies as considered material by our Board pursuant to the Materiality Policy.

In accordance with our Materiality Policy, for the purposes of disclosure in the Offer documents, companies shall be considered material and disclosed as a Group Company if:

(a) our Company and / or our Promoter holds 10% or more of the equity share capital of such company; and

(b) the Company has entered into one or more transactions with such company during Fiscal 2021, which individually or cumulatively in value exceeds 5% of the total consolidated revenue of the Company for that fiscal year as per the Restated Consolidated Financial Information.

Accordingly, in terms of the Materiality Policy, our Board has identified Wagner as the group company of our Company ("**Group Company**").

Details of our Group Company

1. **Wagner Limited ("Wagner")**

Corporate Information

Wagner was incorporated on October 27, 2005 as a private company limited by shares in the Republic of Mauritius and has been allotted company number 59283 C1/GBL. The registered office of Wagner is located at Sanne House, Bank Street, TwentyEight Cybercity, Ebène 72201, Republic of Mauritius. Wagner is an investment company forming part of the TA group and is ultimately held by various broad based TA Funds (as defined below) that are ultimately advised by TA Associates Management, L.P. ("**TA Associates**"), the investment adviser of the TA Funds.

The shareholding pattern of Wagner is as follows:

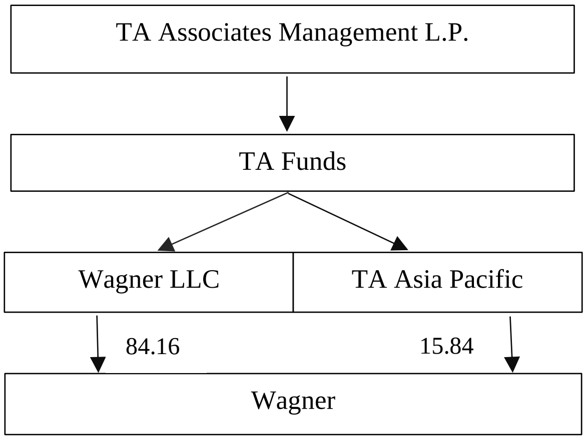
Shareholder	Percentage of issued capital*
TA Associates Wagner, LLC	84.16%
TA Asia Pacific Acquisitions Limited	15.84%
Total	**100.00%**

** Across various classes of shares*

TA Associates Wagner, LLC is a limited liability company formed in the State of Delaware, USA with its office at 200 Clarendon Street, [5]6th Floor, Boston, MA 02116, USA ("**Wagner LLC**").

TA Asia Pacific Acquisitions Limited is a Cayman Islands exempted company with its office at PO Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands ("**TA Asia Pacific**").

Please note that the holders of interests of Wagner LLC and TA Asia Pacific comprise of various funds (the "**TA Funds**"), all of whom are ultimately advised by TA Associates Management, L.P., a Delaware limited partnership and a Registered Investment Adviser registered with and regulated by the U.S. Securities and Exchange Commission, with its principal office at 200 Clarendon Street, [5]6th Floor, Boston, MA 02116, USA. There are no natural persons who, in the aggregate, have a controlling interest or a financial interest in excess of 10% in (i) Wagner Limited, (ii) Wagner LLC, (iii) TA Asia Pacific, or (iv) any of the TA Funds holding interests in Wagner LLC or TA Asia Pacific. The holding of the TA Funds in Wagner is as follows:



All decisions of Wagner are taken by its board of directors. The board of directors of Wagner consist of Ms. Resmah Mandary, Mr. Abdool Fareed Soreefan, Mr. Yash Avinash Rana, and Mr. Patrick Anis Sader.

Wagner is not registered with SEBI in any capacity and is not registered as a fund or an asset management company. Other than restrictions on disposal of the Equity Shares under the SEBI ICDR Regulations, there are no contractual obligations or restrictions on the disposal of the Equity Shares of the Company held by Wagner.

TA Associates is a private equity firm with its principal offices at 200 Clarendon Street, [5]6th Floor, Boston, MA 02116, USA, and is an investment adviser registered with the U.S. Securities and Exchange Commission. TA Associates' investments focus on five core areas: business services, consumer services, financial services, healthcare and technology. For more information about TA Associates, please access the latest Form ADV filed with the SEC as of 25 August 2021 and available at https://sec.report/AdviserInfo/Firms/156699/Form-ADV-156699.pdf, or visit the website of TA Associates at https://www.ta.com/about/private-equity-firm.

Nature of activities

Wagner holds a Category 1 Global Business Licence issued by the Financial Services Commission.

Financial Performance

The following table sets forth details from the audited financial statements of Wagner for the Fiscals 2020, 2019 and 2018, being the last three audited Fiscals:

(in USD except per share data)

Particulars	**Fiscal***		
	2020	**2019**	**2018**
Equity Capital	14,875,939	14,875,939	14,875,939
Reserves (Excluding Revaluation	198,375,572	199,875,244	164,863,084
Sales	-	-	-
Profit/(Loss) after Tax	13,226,869	32,468,160	193,629,481
Earnings per Share (Basic) (Face Value of USD 1)	30.06	29.17	26.99
Earnings per Share (Diluted) (Face Value of USD 1)	30.06	29.17	26.99
Net Asset Value	447,178,073	433,951,204	401,483,044

** The financial statements for Fiscal 2021 are not available.*

Significant notes of auditors

There are no significant notes of auditors for the last three Fiscals.

Sick Industrial Company, Winding up/Insolvency proceedings

Our Group Company has not been declared a sick company under the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985, has not been referred to the Board of Industrial and Financial Reconstruction or the National Company Law Tribunal, and is not under the corporate insolvency resolution process in terms of the Insolvency and Bankruptcy Code, 2016.

Loss making Group Company

Our Group Company was not loss making in Fiscal 2020.

Defunct Group Company

During the five years immediately preceding the date of this Prospectus, our Group Company has not remained defunct and no application has been made to the relevant registrar of companies for striking off the name of our Group Company.

Common pursuits

There are no common pursuits between our Group Company and our Company.

Interests of our Group Company

As on the date of this Prospectus:

(a) Our Group Company does not have any interest in the promotion or formation of our Company.

(b) Our Group Company does not have any interest in any property acquired by our Company within the three years immediately preceding the date of filing this Prospectus or proposed to be acquired by it.

(c) Our Group Company does not have any interest in any transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery, etc.

Except as set forth in "*Other Financial Information – Related Party Transactions*" on page 262, there are no related business transactions with our Group Company.

Business interests or other interests

Except as disclosed in "*Other Financial Information – Related Party Transactions*" on page 262, our Group Company and our Subsidiaries do not have any business interest in our Company.

Litigation

As on the date of this Prospectus, our Group Company is not party to any pending litigation which will have a material impact on our Company. There have been no actions taken or pending show cause notices against Wagner by SEBI, RBI or any other regulator in India or in Mauritius.

Other confirmations

Wagner Limited is not a listed entity and has not made any public issue or rights issue of securities in the preceding three years.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board, at its discretion, and approved by the Shareholders, at their discretion, subject to applicable law, including the Companies Act and the SEBI Listing Regulations. In addition, declaration and payment of dividends would be subject to our Company's dividend policy, adopted by our Board on May 12, 2021 ("**Dividend Distribution Policy**"). In terms of the Dividend Distribution Policy, while declaring / recommending dividend, our Board shall focus on sustainable returns, through an appropriate capital strategy for both medium term and long term value creation. Accordingly, our Board would continue to adopt a progressive and dynamic dividend policy, ensuring the immediate as well as long term needs of our business.

The dividend for any Fiscal shall normally be paid out of the profits of our Company for that year. This will be arrived at after providing for depreciation in accordance with the provisions of the Companies Act, 2013. If circumstances require, our Board may also declare dividend out of accumulated profits of any previous Fiscal(s) in accordance with applicable law, including the Companies Act and the SEBI Listing Regulations. Further, declaration and payment of dividend, if any, will depend on a number of factors, including distributable surplus available as per applicable law, our Company's liquidity position and future cash flow needs, track record of dividend distributed by our Company, payout ratios of comparable companies, the prevailing taxation policy or any amendments expected thereof, with respect to distribution of dividend, capital expenditure requirements considering opportunities for expansion and acquisition, cost and availability of alternative sources of financing, stipulations / covenants contained under any loan agreements, prevailing macroeconomic and business conditions and other factors, as may be considered relevant by our Board. Our Board may also pay interim dividend. Our Board is authorized to change / amend this Dividend Distribution Policy from time to time at its sole discretion and / or in accordance with applicable law, including the Companies Act and the SEBI Listing Regulations

Dividend has been declared and paid on the Preference Shares at the rate of 0.000001% per Preference Share in each of Fiscal 2020 and Fiscal 2021, which amounts paid have been nullified at the time of conversion of our Restated Consolidated Financial Information into rupees in millions. The dividends paid by our Company on the Equity Shares during the current Financial Year, the nine months ended December 31, 2021 and the last three Financial Years are set forth below.

Particulars	Period between December 31, 2021 and the date of filing this Prospectus	Financial Performance (For the Financial Year)			
		Nine months ended December 31, 2021	2021	2020	2019
Number of paid up equity shares	41,406,680	41,344,000	1,033,600	1,033,600	1,033,600
Face value per equity share (In ₹)	5	5	10	10	10
Amount Dividend (In ₹ million)	NIL	3.1008	2.58	2.58	45.38
Total dividend declared on Equity Shares (In ₹ million)	NIL	3.1008	2.58	2.58	45.38
Dividend per equity share (In ₹)	N.A.	3	2.50	2.50	43.90
Rate of dividend (%)	N.A.	60%	25%	25%	439%
Mode of payment of Dividend	N.A.	Electronic mode	Electronic mode	Electronic mode	Electronic mode
Dividend Tax (%)	N.A.	0	0	20.55	20.55
TDS (%)	N.A.	5% for Foreign Shareholder and 10% for all other shareholders	5% for Foreign Shareholder and 10% for all other shareholders	0	0

The amount of dividend paid in past is not necessarily indicative of the dividend policy of our Company or dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid or the amount thereof will be decreased in the future. For details, see "*Risk Factors – Our ability to pay dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition*" on page 47.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
Prudent Corporate Advisory Services Limited

Dear Sirs,

1. We have examined, as appropriate (refer paragraph 6 below), the attached Restated Consolidated Financial Information of Prudent Corporate Advisory Services Limited (the "Company"), and its subsidiaries (the Company and its subsidiaries collectively referred to as the "Group") which comprises of the Restated Consolidated Statement of Assets and Liabilities as at December 31, 2021, March 31, 2021, 2020 and 2019, the Restated Consolidated Statements of Profit and Loss (including other comprehensive income), Restated Consolidated Statement of changes in equity and the Restated Consolidated Statement of Cash Flows for the nine month period ended December 31, 2021 and for the years ended March 31 2021, 2020 and 2019, and a summary of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company ("the Board") at their meeting held on February 15, 2022 for the purpose of inclusion in the Red Herring Prospectus ("RHP") and Prospectus (collectively referred to as "Offer Documents") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended ("the Act");

   b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"); and

   c) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note") read with SEBI Communication as mentioned in Note 2(A) to the Restated Consolidated Financial Information, as applicable.

2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, Gujarat, at Ahmedabad in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 2(A) to the Restated Consolidated Financial Information. The responsibility of the respective board of directors of the companies included in the Group includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective board of directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note read with SEBI Communication, as applicable.

3. We have examined these Restated Consolidated Financial Information taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated June 23, 2021 and addendum dated January 25, 2022 to the said engagement letter in connection with the proposed IPO;

   b) The Guidance Note read with SEBI Communication, as applicable. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

   c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and

   d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note read with SEBI Communication, as applicable in connection with the IPO.

4. These Restated Consolidated Financial Information have been compiled by the management from:

   (i) the audited Special Purpose Consolidated Interim Financial Statements of the Group as at and for the nine month period ended December 31, 2021 prepared in accordance with the recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", prescribed under Section 133 of the Act read with relevant rules thereunder and the other accounting principles generally accepted in India (the "Special Purpose Consolidated Ind AS Interim Financial Statements"), which have been approved by the Board of Directors at their meeting held on February 15, 2022

   (ii) the audited Consolidated Ind AS financial statements of the Group as at and for the year ended March 31, 2021 along with comparative audited consolidated Ind AS financial statements for the year ended March 31, 2020 (the "Consolidated Ind AS Financial Statements") which have been approved by the Board of Directors at their meeting held on July 22, 2021.

   (iii) the audited special purpose consolidated Ind AS financial statements as at and for the year ended March 31, 2019 prepared on the basis as described in Note 2(A) to the Restated Consolidated Financial Information, which have been approved by the Board of Directors at their meeting held on December 20, 2021.

5. For the purpose of our examination, we have relied on:

   (i) Report issued by us dated February 15, 2022, on the Special Purpose Consolidated Interim Ind AS Financial Statements of the Company as at and for the nine month period ended December 31, 2021 as referred in paragraph 4 (i) above

   (ii) Report issued by us dated July 22, 2021, on the Consolidated Ind AS Financial Statements of the Group as at and for the year ended March 31, 2021 as referred in paragraph 4 (ii) above.

   (iii) Report issued by us dated December 20, 2021 on the special purpose consolidated Ind AS financial statements as at and for the year ended March 31, 2019, as referred in Paragraph 4(iii) above.

6. As indicated in our audit reports referred above, we did not audit the financial statements of certain subsidiaries as at and for the nine month period ended December 31, 2021 and as at and for the years ended March 31, 2021, 2020 and 2019, whose share of total assets, total revenues and net cash inflows / (outflows) included in the consolidated financial statements, for the relevant period/ years is tabulated below, which have been audited by other auditors and whose reports have been furnished to us by the Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the reports of the other auditors:

(INR in million)

Particulars	**As at/ for the nine months period ended December 31, 2021**	**As at/ for the year ended March 31, 2021**	**As at/ for the year ended March 31, 2020**	**As at/ for the year ended March 31, 2019**
Total assets	429.69	298.06	147.60	4.29
Total revenue	244.94	270.10	173.10	1.57
Net cash inflow/ (outflows)	(190.50)	105.26	66.87	0.16

These other auditors of the subsidiaries, as mentioned above, have examined the restated financial information and have confirmed that the restated financial information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2021, 2020 and 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine month period ended December 31, 2021;

b) do not require any adjustment for modification as there is no modification in the underlying audit reports; and

c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note read with SEBI Communication, as applicable.

7. Based on our examination and according to the information and explanations given to us and also as per reliance placed on the examination report submitted by other auditors, we report that the Restated Consolidated Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2021, 2020 and 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine month period ended December 31, 2021;

b) do not require any adjustment for modification as there is no modification in the underlying audit reports; and

c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note read with SEBI Communication, as applicable.

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

9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited consolidated Ind AS financial statements, audited Indian GAAP financial statements and audited special purpose consolidated interim Ind AS financial statements mentioned in paragraph 4 above.

10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. Our report is intended solely for use of the Board of Directors for the purpose for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, Gujarat, at Ahmedabad in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No: 117365W)

Hardik Sutaria
Partner
(Membership Number: 116642)
UDIN: 22116642ACMJEZ6111

Place: Ahmedabad
Date: February 15, 2022

Prudent Corporate Advisory Services Limited
CIN : U91120GJ2003PLC042458

Restated Consolidated Statement of Assets and Liabilities

(Rs. in Millions)

Particulars	Note	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
ASSETS					
I Financial Assets					
(a) Cash and Cash equivalents	6	321.90	993.32	806.39	542.15
(b) Bank Balances other than (a) above	7	207.50	398.78	166.61	117.64
(c) Securities for trade	11	63.86	131.20	39.60	14.97
(d) Trade receivables	8	876.44	683.12	394.71	776.02
(e) Loans	9	5.26	5.06	9.16	5.49
(f) Investments	12	326.12	205.87	61.95	71.96
(g) Other financial assets	10	116.05	102.92	146.46	127.38
Total Financial Assets		**1,917.13**	**2,520.27**	**1,624.88**	**1,655.61**
II Non-Financial Assets					
(a) Current Tax Asset (net)	36	10.09	7.54	7.66	6.77
(b) Deferred Tax Assets	36	15.04	35.72	31.41	16.88
(c) Property, Plant and Equipment	13	161.52	166.47	179.26	168.99
(d) Right-of-use assets	14	122.35	93.31	91.44	68.81
(e) Intangible assets	15	1,486.78	4.31	4.00	5.13
(f) Other non-financial assets	16	160.49	21.68	22.10	9.96
Total Non-Financial Assets		**1,956.27**	**329.03**	**335.87**	**276.54**
Total Assets		**3,873.40**	**2,849.30**	**1,960.75**	**1,932.15**
LIABILITIES AND EQUITY					
Liabilities					
I Financial Liabilities					
(a) Trade payables	17				
(a) Total outstanding dues of micro enterprises and small enterprises		-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,135.83	939.35	520.22	695.44
(b) Borrowings	18	330.02	26.10	77.56	228.72
(c) Lease liabilities	19	127.65	99.91	94.34	72.03
(d) Other financial liabilities	20	31.67	25.23	12.80	3.44
Total Financial Liabilities		**1,625.17**	**1,090.59**	**704.92**	**999.63**
II Non-Financial Liabilities					
(a) Current Tax Liability (net)	36	4.55	12.41	2.74	3.55
(b) Provisions	21	70.35	57.29	47.21	29.50
(c) Other non-financial liabilities	22	21.65	112.55	80.69	68.49
(d) Deferred tax liability	36	3.66	0.01	0.01	0.01
Total Non-Financial Liabilities		**100.21**	**182.26**	**130.65**	**101.55**
Equity					
(a) Equity Share capital	23	207.03	10.34	10.34	10.34
(b) Instrument entirely equity in nature	24	-	0.02	0.02	0.02
(c) Other equity	25	1,940.99	1,566.09	1,114.82	820.61
Equity attributable to owners of the Company		**2,148.02**	**1,576.45**	**1,125.18**	**830.97**
Total Equity		**2,148.02**	**1,576.45**	**1,125.18**	**830.97**
Total Liabilities and Equity		**3,873.40**	**2,849.30**	**1,960.75**	**1,932.15**

The accompanying notes from 1 to 53 are an integral part of these Restated Consolidated Financial Information.

In terms of our report of even date attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration Number : 117365W

Hardik Sutaria
Partner

Membership No : 116642

Place : Ahmedabad
Date: February 15, 2022

For and on behalf of the Board of Directors of
Prudent Corporate Advisory Services Limited

Sanjay Shah
Chairman and Managing Director
DIN : 00239810

Shirish Patel
Director and CEO
DIN : 00239732

Chirag Shah
Director
DIN : 01480310

Dhaval Ghetia
Company Secretary
ACS-46211

Chirag Kothari
Chief Financial Officer

Place : Ahmedabad
Date: February 15, 2022

Prudent Corporate Advisory Services Limited
CIN : U91120GJ2003PLC042458

Restated Consolidated Statement of Profit and Loss

(Rs. in Millions)

	Particulars	Note	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
	Revenue from Operations					
I	Commission and Fees Income	26	3,140.71	2,775.58	2,293.11	2,153.68
II	Interest Income	27	31.52	33.03	47.81	64.80
III	Net gain on fair value changes	28	39.98	56.46	7.41	1.36
	Total Revenue from operations		**3,212.21**	**2,865.07**	**2,348.33**	**2,219.84**
IV	Other Income	29	67.77	83.89	13.87	30.74
V	**Total Income (I) + (II) + (III) + (IV)**		**3,279.98**	**2,948.96**	**2,362.20**	**2,250.58**
VI	**Expenses:**					
	Commission and Fees Expense		1,768.94	1,530.60	1,204.67	1,250.23
	Employee benefits expense	30	483.09	555.08	489.22	431.63
	Finance costs	31	18.91	16.56	26.79	30.85
	Impairment on Financial Instruments	32	(0.76)	20.39	11.80	(9.82)
	Depreciation and amortization expense	33	86.90	81.19	79.46	76.23
	Other expenses	34	145.98	139.90	175.92	165.75
	Total expenses (VI)		**2,503.06**	**2,343.72**	**1,987.86**	**1,944.87**
VII	**Restated Profit before exceptional items and tax (V) - (VI)**		**776.92**	**605.24**	**374.34**	**305.71**
VIII	**Exceptional Item**	35	**-**	**-**	**-**	**19.18**
IX	**Restated Profit before tax (VII) - (VIII)**		**776.92**	**605.24**	**374.34**	**286.53**
X	**Tax expense / (Benefit)**	36				
	Current tax		175.76	156.89	109.93	97.56
	Deferred tax		24.88	(4.62)	(14.12)	(21.22)
	Total Tax Expense (X)		**200.64**	**152.27**	**95.81**	**76.34**
XI	**Restated Profit after tax for the period / year (IX) - (X)**		**576.28**	**452.97**	**278.53**	**210.19**
XII	**Restated Other Comprehensive Income (OCI)**					
	(i) Items that will not be reclassified to profit or loss					
	(a) Re-measurement of the defined benefit plans		(2.16)	1.18	(6.12)	(2.03)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.55	(0.30)	1.25	0.59
	Total Restated Other Comprehensive Income/(Loss) (XII)		**(1.61)**	**0.88**	**(4.87)**	**(1.44)**
XIII	**Total Comprehensive Income for the period / year (XI) +/(-) (XII)**		**574.67**	**453.85**	**273.66**	**208.75**
XIV	**Profit for the period / year**		**576.28**	**452.97**	**278.53**	**210.19**
	Attributable to :					
	Owners of the Company		576.28	452.97	278.53	210.23
	Non Controlling interest		-	-	-	(0.04)
XV	**Total Comprehensive Income (TCI)**		**574.67**	**453.85**	**273.66**	**208.75**
	Attributable to :					
	Equity holders of the Parent		574.67	453.85	273.66	208.79
	Non Controlling interest		-	-	-	(0.04)
XVI	**Earnings per equity share [Not Annualised]**	37				
	- Basic (in Rs.)		13.94	10.96	6.74	5.08
	- Diluted (in Rs.)		13.94	10.94	6.73	5.08

The accompanying notes from 1 to 53 are an integral part of these Restated Consolidated Financial Information.

In terms of our report of even date attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration Number : 117365W

Hardik Sutaria
Partner

Membership No : 116642

Place : Ahmedabad
Date: February 15, 2022

For and on behalf of the Board of Directors of
Prudent Corporate Advisory Services Limited

Sanjay Shah
Chairman and Managing Director
DIN : 00239810

Shirish Patel
Director and CEO
DIN : 00239732

Chirag Shah
Director
DIN : 01480310

Dhaval Ghetia
Company Secretary
ACS-46211

Chirag Kothari
Chief Financial Officer

Place : Ahmedabad
Date: February 15, 2022

Prudent Corporate Advisory Services Limited
CIN : U91120GJ2003PLC042458

Restated Consolidated Statement of Cash Flows

(Rs. in Millions)

	Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
A	**Cash flow from operating activities**				
	Restated Profit before Exceptional item and tax	**776.92**	**605.24**	**374.34**	**305.71**
	Adjustment for				
	Add : Depreciation and amortization expense	86.90	81.19	79.46	76.23
	Add : Finance costs	18.91	16.56	26.79	30.85
	Add: Bad Debts	0.08	8.41	9.98	28.76
	Add/(Less): Impairment allowances for Trade Receivables	(0.76)	(1.00)	11.80	(9.82)
	Add: Impairment allowances for Margin Money	-	21.39	-	-
	Add/(Less): Provision for Contingencies	-	(3.42)	3.42	-
	Add: Profit/Loss on sale of Property, Plant and Equipment	(0.05)	(0.51)	0.27	0.53
	(Less): Dividend Income	(0.05)	(0.02)	(0.17)	(4.43)
	(Less): Unrealized gain on Securities held-for-trading measured at FVTPL	(3.16)	(1.20)	13.28	0.72
	(Less): Net gain on financial instruments measured at FVTPL	(58.84)	(76.10)	(8.49)	(14.70)
	(Less) : Interest income	(6.02)	(39.96)	(52.00)	(12.33)
	Operating Profit before working capital changes	**813.93**	**610.58**	**458.68**	**401.52**
	Changes in working capital:				
	(Increase) / decrease in Trade receivables	(192.64)	(295.83)	371.17	(80.74)
	(Increase) / decrease in Loans	(0.20)	4.10	(1.79)	0.42
	(Increase) / decrease in Other Financial assets	16.24	19.81	(18.10)	5.76
	(Increase) / decrease in Other Non-Financial assets	(138.78)	(2.11)	(9.37)	(4.09)
	(Increase) / decrease in Securities held for Trade	70.50	(90.40)	(37.91)	(9.19)
	Increase / (decrease) in Trade payables	196.48	419.13	(175.25)	(48.73)
	Increase / (decrease) in Other financial liabilities	6.44	12.43	8.83	0.54
	Increase / (decrease) in Other non-financial liabilities	(90.90)	31.86	7.94	(22.32)
	Increase / (decrease) in Provisions	10.90	14.68	6.23	9.69
	Cash generated from Operations	**691.97**	**724.25**	**610.43**	**252.86**
	Less : Direct Tax (paid)	(186.17)	(147.03)	(107.65)	(129.66)
	Net cash generated from operating activities (A)	**505.80**	**577.22**	**502.78**	**123.20**
B	**Cash flow from investing activities**				
	Purchase of Property, Plant and Equipment / Intangible Assets	(1,525.26)	(17.07)	(34.61)	(44.47)
	Proceeds from sale of Property, Plant and Equipment	0.36	-	-	0.18
	Bank deposits / margin money withdrawn / (placed)	190.47	(231.71)	(55.30)	3.86
	Dividend Income	0.05	0.02	0.17	4.43
	Net Purchase of Investments	(61.41)	(67.82)	18.50	190.34
	Payment for acquisition of subsidiary	-	-	(22.65)	(3.91)
	Proceeds from disposal of subsidiary	-	-	-	0.10
	Payment towards acquisition of non-controlling interest in subsidiaries	-	-	-	(31.71)
	Interest received	7.33	39.87	46.24	8.91
	Net cash (used in)/ generated from investing activities (B)	**(1,388.46)**	**(276.71)**	**(47.65)**	**127.73**
C	**Cash flow from financing activities**				
	Proceeds from Borrowings	760.00	106.50	886.72	11.64
	Repayment of Borrowings	(456.00)	(157.37)	(1,037.30)	(3.44)
	Share Issue Expense	(34.18)	-	-	-
	Repayment of Lease Liabilities	(36.49)	(42.98)	(39.62)	(26.36)
	Proceeds from Issuance of Preference Shares	-	-	-	9.46
	Dividend Paid (including Dividend Distribution Tax)	(3.10)	(2.58)	(3.12)	(54.70)
	Finance Costs paid	(18.99)	(17.15)	(27.37)	(31.02)
	Net cash (used in) / generated from financing activities (C)	**211.24**	**(113.58)**	**(220.69)**	**(94.42)**
	Net increase/decrease in cash and cash equivalents (A+B+C)	**(671.42)**	**186.93**	**234.44**	**156.51**
	Cash and cash equivalents at the beginning of the period / year	993.32	806.39	542.15	382.08
	Add: Cash and Cash equivalents received on acquisition of subsidiary	-	-	29.80	3.66
	Less: Reduction in Cash and Cash Equivalents on account of loss of control of subsidiary	-	-	-	(0.10)
	Cash and cash equivalents at the end of the period / year	**321.90**	**993.32**	**806.39**	**542.15**

Prudent Corporate Advisory Services Limited
CIN : U91120GJ2003PLC042458

Restated Consolidated Statement of Cash Flows

(Rs. in Millions)

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash and cash equivalents comprises of:				
Cash on hand	0.55	0.51	0.48	0.40
Cheques on Hand	-	-	-	0.58
Balances with banks				
- In current accounts	215.74	982.87	279.65	204.28
- In Fixed Deposits with original maturity of less than three months	105.30	9.55	525.15	336.45
- Interest accrued but not due on Bank Deposits	0.31	0.39	1.11	0.44
Total cash and cash equivalents (Refer Note 6)	**321.90**	**993.32**	**806.39**	**542.15**

Notes:

1. The Restated Consolidated Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

2. Disclosure with regards to changes in liabilities arising from financing activities as set out in Ind AS 7 -Statement of Cash Flows is presented under Note 20.

The accompanying notes from 1 to 53 are an integral part of these Restated Consolidated Financial Information.

In terms of our report of even date attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration Number : 117365W

For and on behalf of the Board of Directors of
Prudent Corporate Advisory Services Limited

Hardik Sutaria
Partner

Membership No : 116642

Place : Ahmedabad
Date: February 15, 2022

Sanjay Shah
Chairman and
Managing Director
DIN : 00239810

Shirish Patel
Director and CEO
DIN : 00239732

Chirag Shah
Director
DIN : 01480310

Dhaval Ghetia
Company Secretary
ACS-46211

Chirag Kothari
Chief Financial Officer

Place : Ahmedabad
Date: February 15, 2022

Prudent Corporate Advisory Services Limited
CIN : U91120GJ2003PLC042458

Restated Consolidated Statement of Changes in Equity

A. Equity share capital - Refer Note 23 **(Rs. in Millions)**

Particulars	Amount
Balance as at April 01, 2018	**10.34**
Add: Issue of shares during the year	-
Balance as at March 31, 2019	**10.34**
Add: Issue of shares during the year	-
Balance as at March 31, 2020	**10.34**
Add: Issue of shares during the year	-
Balance as at March 31, 2021	**10.34**
Add: Issue of shares during the period	-
Add : Bonus Issue	196.38
Add : Split Share	-
Add : Conversion of Preference Shares	0.31
Balance as at December 31, 2021	**207.03**

B. Instrument entirely in the nature of equity - Refer Note 24

Particulars	Amount
Balance as at April 01, 2018	-
Add: Issue of shares during the year	0.02
Balance as at March 31, 2019	**0.02**
Add: Issue of shares during the year	-
Balance as at March 31, 2020	**0.02**
Add: Issue of shares during the year	-
Balance as at March 31, 2021	**0.02**
Add: Issue of shares during the period	
Add : Bonus Issue	**0.29**
Add : Split Share	-
Less : Conversion in Equity Shares	(0.31)
Balance as at December 31, 2021	-

C. Other equity - Refer Note 25

Particulars	Reserves and Surplus				Total Attributable to owners of the parent	Non Controlling Interest	Total
	Securities Premium	Capital Reserve	General Reserves	Retained Earnings			
Balance as at April 01, 2018	**0.09**	**8.65**	**10.00**	**645.38**	**664.12**	**34.11**	**698.23**
Add: Restated Net Profit/(Loss) for the year	-	-	-	210.23	**210.23**	(0.04)	**210.19**
Add/(Less): Restated Other comprehensive income/(loss)	-	-	-	(1.44)	(1.44)	-	(1.44)
Total Restated Comprehensive income/(loss) for the year	**0.09**	**8.65**	**10.00**	**854.17**	**872.91**	**34.07**	**906.98**
Add: Additions during the year	9.45	-	-	-	9.45	-	**9.45**
Add : Effect of changes in group's interest	-	-	-	1.14	1.14	(34.07)	(32.93)
(Less): Effect of sale of a subsidiary	-	(8.19)	-	-	(8.19)	-	(8.19)
(Less): Interim dividend on Equity Shares paid during the year	-	-	-	(42.79)	(42.79)	-	(42.79)
(Less): Dividend tax on Interim dividend paid during the year	-	-	-	(8.80)	(8.80)	-	(8.80)
(Less): Final dividend on Equity Shares paid during the year	-	-	-	(2.58)	(2.58)	-	(2.58)
(Less): Dividend tax on Final dividend paid during the year	-	-	-	(0.53)	(0.53)	-	(0.53)
Balance as at March 31, 2019	**9.54**	**0.46**	**10.00**	**800.61**	**820.61**	-	**820.61**
Add/(Less): Ind AS 116 transition adjustment (Refer Note 4(c))	-	-	-	2.67	**2.67**	-	**2.67**
Balance as at April 01, 2019	**9.54**	**0.46**	**10.00**	**803.28**	**823.28**	-	**823.28**
Add: Net Profit for the year	-	-	-	278.53	**278.53**	-	**278.53**
Add/(Less): Re-measurement of the defined benefit plans	-	-	-	(4.87)	(4.87)	-	(4.87)
Total Comprehensive income/(loss) for the year	**9.54**	**0.46**	**10.00**	**1,076.94**	**1,096.94**	-	**1,096.94**
Add: Effect of acquisition of Subsidiary	-	20.99	-	-	**20.99**	-	**20.99**
(Less): Final dividend on Equity Shares paid during the year	-	-	-	(2.58)	(2.58)	-	(2.58)
(Less): Dividend tax on Final dividend paid during the year	-	-	-	(0.53)	(0.53)	-	(0.53)
(Less): Dividend @ 0.000001 % on Non-Cumulative Compulsory Convertible Preference Shares ('NCCCPS')	-	-	-	*-	*-	-	*-
(Less): Dividend Distribution Tax	-	-	-	*-	*-	-	*-
Balance as at March 31, 2020	**9.54**	**21.45**	**10.00**	**1,073.83**	**1,114.82**	-	**1,114.82**
Add: Net Profit for the year	-	-	-	452.97	**452.97**	-	**452.97**
Add/(Less): Re-measurement of the defined benefit plans	-	-	-	0.88	**0.88**	-	**0.88**
Total Comprehensive income/(loss) for the year	**9.54**	**21.45**	**10.00**	**1,527.68**	**1,568.67**	-	**1,568.67**
(Less): Final dividend on Equity Shares paid during the year	-	-	-	(2.58)	(2.58)	-	(2.58)
(Less): Dividend @ 0.000001 % on Non-Cumulative Compulsory Convertible Preference Shares ('NCCCPS')	-	-	-	*-	*-		*-
Balance as at March 31, 2021	**9.54**	**21.45**	**10.00**	**1,525.10**	**1,566.09**	-	**1,566.09**
Add: Net Profit for the period	-	-	-	**576.28**	**576.28**	-	**576.28**
Add/(Less): Re-measurement of the defined benefit plans	-	-	-	**(1.61)**	**(1.61)**	-	**(1.61)**
Total Comprehensive income/(loss) for the period	**9.54**	**21.45**	**10.00**	**2,099.77**	**2,140.76**	-	**2,140.76**
(Less): Final dividend on Equity Shares paid during the year				(3.10)	(3.10)		**(3.10)**
(Less): Dividend @ 0.000001 % on Non-Cumulative Compulsory Convertible Preference Shares ('NCCCPS')	-	-	-	*-	-		-
Less:Bonus shares issued during the period	-	-	-	(196.67)	(196.67)		**(196.67)**
Balance as at December 31, 2021	**9.54**	**21.45**	**10.00**	**1,900.00**	**1,940.99**	-	**1,940.99**

The accompanying notes from 1 to 53 are an integral part of these Restated Consolidated Financial Information.
*- Figure nullified in conversion of Rs. in Millions

In terms of our report of even date attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration Number : 117365W

For and on behalf of the Board of Directors of
Prudent Corporate Advisory Services Limited

Hardik Sutaria
Partner

Membership No : 116642

Sanjay Shah
Chairman and Managing Director
DIN : 00239810

Shirish Patel
Director and CEO
DIN : 00239732

Chirag Shah
Director
DIN : 01480310

Dhaval Ghetia
Company Secretary
ACS-46211

Chirag Kothari
Chief Financial Officer

Place : Ahmedabad
Date: February 15, 2022

Place : Ahmedabad
Date: February 15, 2022

1 Corporate information

Prudent Corporate Advisory Services Limited (“the Company” or “the Parent Company”) together with its subsidiaries (collectively referred to as “the Group”) are engaged in the business of distribution of financial products. The Company was incorporated on June 4, 2003 under the provisions of Companies Act, 1956 and is closely held limited company domiciled in India. Its registered office is situated at Prudent House, Panjra Pole Cross Road, Nr. Polytechnic, Ambawadi, Ahmedabad, Gujarat, India.
The Company is mainly engaged in business of distribution of various mutual funds existing in India and registered stock broker in cash segment with NSE and BSE and a depository participant with Central Depository Services (India) Limited (CDSL). Apart from distributing mutual funds, the Company, along with its subsidiaries is also engaged in distribution of various products like: Insurance products, PMS, Unlisted Securities, Bonds/FDs, AIFs, NPS, Stock broker etc.

The entities considered for consolidation and their nature of operations are as follows:

(i) Gennext Insurance Brokers Private Ltd (GIBPL), a 100% subsidiary of PCASL, is an IRDA registered direct Insurance Broker- Life and General and it distributes various Insurance products both offline as well as online.

(ii) Prudent Broking Services Private Limited (PBSPL), a 100% subsidiary of PCASL, was incorporated under the provisions of Companies Act, 1956 and is private limited company domiciled in India. The Company registered as a stock broker with the Securities and Exchange Board of India ("SEBI"). It is a member of NSE, BSE, MCX and NCDEX and is engaged in the business of providing broking services to its clients.

(iii) Prutech Financial Services Private Limited (Prutech), a 100% subsidiary of PCASL, is SEBI registered investment Adviser offering financial planning services to its clients.

2 Basis of Preparation and Presentation

A Basis of preparation and Statement of Compliance:

The Restated Consolidated Financial Information of the Company and its subsidiaries (together known as the “Group”) comprise of the Restated Consolidated Statement of Assets and Liabilities as at December 31, 2021, March 31, 2021, 2020, and 2019, the related Restated Consolidated Statements of Profit and Loss (including Other Comprehensive Income), Restated Consolidated Statements of Changes in Equity and the Restated Consolidated Statements of Cash Flows for the nine month period ended December 31, 2021 and for the years ended March 31, 2021, 2020 and 2019, and the Summary of Significant Accounting Policies and explanatory notes (collectively, the ‘Restated Consolidated Financial Information’).

These Restated Consolidated Financial Information have been prepared by the Management of the Group for the purpose of inclusion in the Red Herring Prospectus (‘RHP’) and Prospectus (collectively referred to as “Offer Documents”) to be filed by the Company with the Securities and Exchange Board of India (“SEBI”), National Stock Exchange of India Limited, BSE Limited and Registrar of Companies, Gujarat, in connection with proposed Initial Public Offering of its equity shares (“IPO”) of the Company comprising an offer for sale of equity shares held by the selling shareholders.

The Restated Consolidated Financial Information, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:

a)Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended ("the Act");
b)The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR”) as amended from time to time; and
c)The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) as amended (the “Guidance Note”) read with the general directions dated October 28, 2021, received from Securities and Exchange Board of India (SEBI) by the Company through Lead Managers (the “SEBI Communication”).

In accordance with the notification dated February 16, 2015, issued by Ministry of Corporate Affairs, the Company has voluntarily adopted Indian Accounting Standards notified under section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") with effect from April 01, 2020.

These Restated Consolidated Financial Information have been compiled by the management from:

(i)The audited Special Purpose Consolidated Interim Financial Statements of the Group as at and for the nine month period ended December 31, 2021 prepared in accordance with the recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", prescribed under Section 133 of the Act read with relevant rules thereunder and the other accounting principles generally accepted in India (the "Special Purpose Consolidated Interim Financial Statements"), which have been approved by the Board of Directors at their meeting held on February 15, 2022.

(ii)The audited Consolidated Ind AS financial statements of the Group as at and for the year ended March 31, 2021 along with comparative audited consolidated Ind AS financial statements for the year ended March 31, 2020 (the "Statutory Consolidated Ind AS Financial Statements") which have been approved by the Board of Directors at their meeting held on July 22, 2021.

(iii)The Company has prepared the Special Purpose Consolidated Ind AS Financial Statements as at and for the year ended March 31, 2019 (the "Special Purpose Consolidated Ind AS Financial Statements") as per following basis, which have been approved by the Board of Directors at their meeting held on December 20, 2021.

In pursuance to the SEBI Communication, for the purpose of Special Purpose Consolidated Ind AS Financial Statements of the Group as at and for the year ended March 31, 2019, the transition date is considered as April 1, 2018 which is different from the transition date adopted by the Group at the time of first time transition to Ind AS (i.e. April 1, 2019) for the purpose of preparation of Statutory Consolidated Ind AS Financial Statements as required under Companies Act, 2013, as amended. Accordingly, the Group has applied the accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as on 01 April 2018 for these Special Purpose Consolidated Ind AS Financial Statements.

As such, the financial statements for the year ended March 31, 2019 are Special Purpose Consolidated Ind AS Financial Statements of the Group prepared considering the accounting principles stated in Ind AS, as adopted by the Group and described below. These Special Purpose Consolidated Ind AS Financial Statements have been prepared solely for the purpose of preparation of Restated Consolidated Financial Information for inclusion in Offer Documents in relation to the proposed IPO, which requires three years financial statements to be presented under Ind AS. As such, these Special Purpose Consolidated Ind AS Financial Statements are not suitable for any other purpose other than for the purpose of preparation of Restated Consolidated Financial Information, and are also not financial statements prepared pursuant to any requirements under section 129 of the Companies Act, 2013, as amended. Further, since the statutory date of transition to Ind AS is April 1, 2019, and these Special Purpose Consolidated Ind AS Financial Statements have been prepared considering a transition date of April 1, 2018, the closing balances of items included in the Balance Sheet as at March 31, 2019 may be different from the balances considered on the statutory date of transition to Ind AS on April 1, 2019, due to such early application of Ind AS principles with effect from April 1, 2018 as compared to the date of statutory transition. Refer Note 4 for reconciliation of equity and total comprehensive income as per the Special Purpose Consolidated Interim Financial Statements, Statutory Consolidated Ind AS Financial Statements, Statutory Indian GAAP Financial Statements (as defined below) and equity and total comprehensive income as per restated consolidated financial information.

The above Special Purpose Consolidated Ind AS Financial Statements have been prepared by making Ind AS adjustments as mentioned above to the audited consolidated Indian GAAP financial statements of the Group as at and for the year ended March 31, 2019 prepared in accordance with Indian GAAP (the "Statutory Indian GAAP Financial Statements") which was approved by the Board of directors at their meeting held on September 30, 2019.

The Restated Consolidated Financial Information:

(a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2021, 2020 and 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine months period ended December 31, 2021; and

(b) do not require any adjustment for modification as there is no modification in the underlying audit reports.

These Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the board meetings for adoption of Special Purpose Consolidated Interim Financial Statements, Statutory Consolidated Ind AS Financial Statements and the Statutory Indian GAAP Financial Statements.

These Restated Consolidated Financial Information have been prepared for the Group as a going concern.

These Restated Consolidated Financial Information have been approved by the Board of Directors of the Company on February 15, 2022.

B Basis of Consolidation

The Restated Consolidated Financial Information incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) . Control is achieved when the Company:
• has the power over the investee;
• is exposed, or has rights, to variable returns from its involvement with the investee; and
• has the ability to use its power to affects its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:
• the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
• potential voting rights held by the Company, other vote holders or other parties;
• rights arising from other contractual arrangements; and
• any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non- controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable Ind ASs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 when applicable, or the cost of initial recognition of an investment in an associate or a joint venture.

C Basis of Measurement

The Restated Consolidated Financial Information have been prepared on accrual and going concern basis under the historical cost convention except for certain class of financial assets/ liabilities, share based payments and net liability for defined benefit plans that are measured at fair value. The accounting policies have been consistently applied by the Group unless otherwise stated.

D Functional and Presentation Currency

The Restated Consolidated Financial Information have been prepared and presented in Indian Rupees (INR), which is also the Group's functional currency.

E Rounding off

All amounts disclosed in the Restated Consolidated Financial Information and notes have been rounded off to the nearest Millions, unless otherwise stated.

F Key accounting estimates and judgement:

The preparation of Restated Consolidated Financial Information requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

(i) Depreciation / amortisation and Useful life of property, plant and equipment and Intangible Assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates. (Refer Note 3A, 3B & 52)

(ii) Measurement of defined benefit obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Refer Note 3H & 38

(iii) Recognition and measurement of provisions and contingencies

The Group recognises a provision if it is probable that an outflow of cash or other economic resources will be required to settle the provision. If an outflow is not probable, the item is treated as a contingent liability. Risks and uncertainties are taken into account in measuring a provision. Refer Note 3J

(iv) Recognition of deferred tax assets/liabilities

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies and future recoverability of deferred tax assets. Refer Note 3I

(v) Impairment of financial assets

The Group recognises loss allowances for expected credit losses on its financial assets measured at amortised cost. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit- impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

(vi) Fair value Measurement

Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants. The Group's accounting policies require, measurement of certain financial / non-financial assets and liabilities at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortised cost are required to be disclosed in the said Restated Consolidated Financial Information .

The Group is required to classify the fair valuation method of the financial / non-financial assets and liabilities, either measured or disclosed at fair value in the standalone financial statements, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement). Accordingly, the Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The three levels of the fair-value-hierarchy are described below:
Level 1: Quoted (unadjusted) prices for identical assets or liabilities in active markets
Level 2: Significant inputs to the fair value measurement are directly or indirectly observable
Level 3: Significant inputs to the fair value measurement are unobservable.

(vii) Assessment of Business Combination

Note 53 describes the acquisition of identified customer folios of Karvy Stock Broking Limited. The management of the Group has assessed whether the said acquisition meets the definition of Business in accordance with Ind AS 103 Business Combination. In making such assessment, the management has exercised judgement while evaluating all the relevant facts and circumstances of the acquisition, including those related to inputs, substantive processes and outputs and concluded that the acquisition does not qualify as a Business in accordance with Ind AS 103 as Group has only acquired customer folios and accordingly, the same has been accounted as acquisition of intangible assets under Ind AS 38.

3 Summary of Significant Accounting Policies

A Property, Plant and Equipment

Items of property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost is inclusive of freight, duties, taxes or levies (net of recoverable taxes) and any directly attributable cost of bringing the assets to their working condition for intended use.

Property, plant and equipment which are not ready for intended use as on the date of Restated Consolidated Balance Sheet are disclosed as "Capital work-in-progress".

Items of Property, Plant and Equipment that have been retired from active use and are held for disposal are stated at the lower of their net carrying amount and net realisable value and are shown separately in the financial statements. Any write-down in this regard is recognised immediately in the Consolidated Statement of Profit and Loss.

An item of Property, Plant and Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognised in the Consolidated Statement of Profit and Loss.

On transition to Ind AS, the Group has elected to apply Ind AS 16 Property, Plant and Equipment for various Property, Plant and Equipment from the date of acquisition.

Depreciable amount for assets is the cost of an assets less its estimated residual value. Based on management's evaluation, useful life prescribed in Schedule II of the Act represent actual useful life of Property, Plant and Equipment. Accordingly, the Group has used useful lives as mentioned in Schedule II of the Act to provide depreciation of different class of its Property, Plant and Equipment. The Group provides depreciation on reducing balance method as per the useful life mentioned in Schedule II of the Act.

On transition to Ind AS, as per Ind AS 101, the group has elected to continue with the carrying value of all of its property, plant and equipment measured as per the IGAAP as at March 31, 2019 as its deemed cost on the date of transition.

The estimated useful lives of Property, Plant and Equipment are as follows :

Class of assets	**Useful Life (in years)**
Building	60 Years
Office Equipment	5 Years
Furniture and Fixtures	5 to 10 Years
Computer Equipment	3 to 6 Years
Vehicles	8 Years

Out of the total assets, 4.91 % of the assets are depreciated on straight line basis.
Depreciation on addition is being provided on pro rata basis from the date of such additions. Depreciation on asset sold, discarded, disabled or demolished during the year is being provided up to the date in which such assets are sold, discarded, disabled or demolished.

B Intangibles assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Consolidated Statement of Profit and Loss.

On transition to Ind AS, as per Ind AS 101, the Company has elected to continue with the carrying value of all of its Intangible Assets measured as per the IGAAP as at March 31, 2019 as its deemed cost on the date of transition.
The estimated useful lives of intangible assets are as follows :

Class of assets	**Useful Life (in years)**
Software	5 years
Customer Folios	10 years (Refer note - 52)

C Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of non-financial assets, other than inventories and deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of such asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.
Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

Reversal of impairment losses recognised in earlier years is recorded when there is an indication that the impairment losses recognised for the asset/cash generating unit no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for that asset/cash generating unit in earlier years. Reversal of impairment loss is directly recognised in the Restated Consolidated Financaial Statement of Profit and Loss.

D Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Restated Consolidated Statement of Profit and Loss in the period in which they are incurred.

E Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The financial instruments are recognised in the Restated Consolidated Balance Sheet when the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial instruments at initial recognition.

(1) Initial Recognition and Measurements

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

Where the fair value of a financial asset or financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Restated Consolidated Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Consolidated Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial assets or financial liability.

Trade receivables that do not contain a significant financing component are measured at transaction price.

(2) Subsequent Measurements

(a) Financial Assets

For purposes of subsequent measurement, financial assets are classified based on assessment of business model in which they are held. This assessment is done for portfolio of the financial assets. The relevant categories are as below:

(i) At amortised cost:

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL):

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) At fair value through Other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) At fair value through profit and loss (FVTPL)

Financial assets which are not measured at amortised cost and are held for trading are measured at FVTPL. Fair value changes related to such financial assets are recognised in the Restated Consolidated Statement of Profit and Loss.

Based on the Group's business model, the Group has classified its securities heldfor trade and Investment in Mutual Funds at FVTPL.

(iv) Investment in Equity Instruments

Equity investments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For equity instruments other than held for trading, the Group has irrevocable option to present in Other Comprehensive Income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Group classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts of profit or loss from OCI to Statement of Profit and Loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Restated Consolidated Statement of Profit and Loss.

(v) Impairment of Financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the Group applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Expected credit losses rate the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

(vi) Derecognition of Financial Assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset ' s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Restated Consolidated Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Restated Consolidated Statement of Profit and Loss on disposal of that financial asset.

(b) Financial Liabilities

All financial liabilities of the Group are subsequently measured at amortized cost using the effective interest method or at FVTPL.

(i) At amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Restated Consolidated Statement of Profit and Loss.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

(ii) At Fair Value through Profit and Loss:

A financial liability may be designated as at FVTPL upon initial recognition if:

• such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

• the financial liability whose performance is evaluated on a fair value basis, in accordance with the Group ' s documented risk management.

Fair value changes related to such financial liabilities are recognised in the Restated Consolidated Statement of Profit and Loss.

(iii) Derecognition of Financial Liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Restated Consolidated Statement of Profit and Loss.

(iv) Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset when the Group has a legally enforceable right (not contingent on future events) to off-set the recognised amounts either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(3) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument as per the relevant accounting standard.

Ordinary shares are classified as Equity when the Group has an un-conditional right to avoid delivery of cash or another financial asset, that is, when the dividend and repayment of capital are at the sole and absolute discretion of the Group and there is no contractual obligation whatsoever to that effect.

(4) Derivative Financial instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The resulting gain or loss is recognised in Restated Consolidated Statement of Profit and Loss immediately.

F Foreign currency transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions. Monetary assets and liabilities outstanding at the year-end are translated at the rate of exchange prevailing at the year-end and the gain or loss, is recognised in the Restated Consolidated Statement of Profit and Loss.

Foreign currency monetary items (other than derivative contracts) of the Group, outstanding at the Restated Consolidated Balance Sheet date are restated at the year-end rates. Non-monetary items of the Group are carried at historical cost.

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Group are recognised as income or expense in the Restated Consolidated Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

G Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation

Revenue from contracts with customers is recognised when control of the services are transferred to the customer which can be either at a point in time or over time, at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services.

Revenue recognized are exclusive of goods and service tax, stamp duties and other levies by Security Exchange Board of India (SEBI) and exchanges.

The Group recognises revenue from the following major sources:

(i) Commission and Fees Income from distribution of financial products (i.e. Mutual Funds, Bonds, Fixed Deposits, Non-convertible Debentures,Insurance products, etc.)

(ii) Brokerage Income from stock broking business.

(iii) Commission Income from Sale of Properties

Commission and Fees Income relating to Distribution of Financial Products: Fees on distribution services are recognized at a point in time when the service obligations are completed and when the terms of contracts are fulfilled.

Commission and Fees Income relating to Stock Broking : Revenue from contract with customer is recognised point in time when performance obligation is satisfied. Income from broking activities is accounted for on the trade date of transactions.

Commission Income from Sale of Properties: Brokerage income from sale of non-financial properties is recognised at the point the sale when the performance obligation which gives rise to the commission income is satisfied and when the right to receive the income Revenues in excess of invoicing are classified as contract assets (referred to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred to as income received in advance or unearned revenue).

Interest Income

Interest income on financial assets is recognised using the Effective Interest Rate (EIR) method.The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument.

Dividend Income

Dividend income is recognised when the right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

H Employees Benefits

Employee benefits include short term employee benefits, provident fund, employee's state insurance, gratuity and compensated absences.

Short term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Group recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Defined Contribution Plan

The Group's contribution to Provident Fund and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. The Group does not carry any further obligations, apart from the contributions made on a monthly basis.

Defined Benefit Plan

The Group provides for the gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment, and is unfunded. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Remeasurements of the net defined benefit liability comprising actuarial gains and losses (excluding amounts included in net interest on the net defined benefit liability), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Restated Consolidated Statement of Profit and Loss in the subsequent periods.

Long-term employee benefits

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits and is unfunded. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of the each year. Actuarial losses/gains are recognised in the Restated Consolidated Statement of Profit and Loss in the year in which they arise.

I Current and deferred tax

Tax on Income comprises current and deferred tax.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the reporting period in accordance with the Income-tax Act, 1961 enacted in India and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is also recognised in respect of carried forward tax losses and tax credits subject to the assessment of reasonable certainty of recovery. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Deferred tax relating to items recognised outside the Restated Consolidated Statement of Profit and Loss is recognised outside with the underlying items i.e. either in the statement of other comprehensive income or directly in equity as relevant.

J Provisions and contingent liabilities:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the Consolidated Balance Sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Restated Consolidated Statement of Profit and Loss net of any reimbursement. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

K Leases: Right-of-use assets and Lease liabilities

i) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

i) Right-of-use assets

If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (3 C) Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term..

The Company as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

L Cash and Cash Equivalents

Cash and cash equivalents in the Restated Consolidated Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents for the purpose of Restated Statement of Cash Flow comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less.

M Earning per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

N Dividend on Ordinary Shares

The Group recognizes a liability to make cash or non-cash distributions to equity holders of the Group when the distribution is authorized and the distribution is no longer at the discretion of the Group. As per the Act, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

O Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108 - Operating Segments, the CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

P Cash flow statement

Cash flows are reported using the indirect method, whereby net profits before tax es adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the Group are segregated based upon the available information.

(Rs. in Millions)

4 Statement of Restatement Adjustments to Audited Consolidated Financial Statements of the Group

(a) Reconciliation between audited equity and restated equity

	Foot Note	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Equity as per Special Purpose Consolidated Interim Financial Statements, Statutory Consolidated Ind AS Financial Statements and Statutory Indian GAAP Financial Statements, as applicable		2,148.02	1,576.45	**1,125.18**	**840.47**	**694.22**
Fair Value Measurement	(i), (ii) &	-	-	-	(9.12)	20.90
Deferred tax on above items	(v)	-	-	-	2.35	(6.55)
Equity as per Special Purpose Consolidated Interim Financial Statements, Statutory Consolidated Ind AS Financial Statements and Special Purpose Consolidated Ind AS Financial Statements, as applicable		**2,148.02**	**1,576.45**	**1,125.18**	**833.70**	**708.57**
Ind AS 116 Impact	(iv)	-	-	-	(3.68)	-
Deferred tax on above items	(v)	-	-	-	0.95	-
Total Equity as Restated Consolidated Financial Information		**2,148.02**	**1,576.45**	**1,125.18**	**830.97**	**708.57**

(b) Reconciliation between audited profit and restated profit

	Foot Note	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Total Comprehensive income/ Profit after tax as per Special Purpose Consolidated Interim Financial Statements, Statutory Consolidated Ind AS Financial Statements and Statutory Indian GAAP Financial Statements, as applicable		**574.67**	**453.85**	**273.66**	**232.63**
Fair Value Measurement	(i), (ii) &	-	-	-	(30.05)
Deferred tax on above	(v)	-	-	-	8.90
Total Comprehensive income as per Special Purpose Consolidated Interim Financial Statements, Statutory Consolidated Ind AS Financial Statements and Special Purpose Consolidated Ind AS Financial Statements, as applicable		**574.67**	**453.85**	**273.66**	**211.48**
Ind AS 116 Impact	(iv)	-	-	-	(3.68)
Deferred tax on above items	(v)	-	-	-	0.95
Restated total comprehensive income		**574.67**	**453.85**	**273.66**	**208.75**

Footnotes:

(i) Security Deposits:

Under the IGAAP, the carrying value of interest free security deposits are recorded at transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Group has recognised the security deposits at fair value on transition date.

(ii) Fair valuation of Investments/Securities held for trade:

Under the IGAAP, long-term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS, financial assets that have been classified at FVTOCI or FVTPL on the date of transition are measured at fair value and resultant gain or loss is recognised in other comprehensive income or the Statement of Profit and Loss (as applicable).

Under the IGAAP, current investments were measured at lower of cost or fair value. Under Ind AS, these investments are classified as FVTPL on the date of transition and measure at their fair value and the resultant gain or loss is recognised in the Statement of Profit and Loss.

Under the IGAAP, Securities held for trade were measured at lower of cost or fair value. Under Ind AS, these securities held for trade are classified as FVTPL on the date of transition and measure at their fair value and the resultant gain or loss is recognised in the Statement of Profit and Loss.

(Rs. in Millions)

(iii) Expected Credit Loss on Trade Receivables:

Under IGAAP, provision/write off on receivables is done based on the ageing of the receivables and evaluation done by the management for each customers. Under Ind AS, the Company has recognised impairment loss on trade receivables based on the expected credit loss model as required by Ind AS 109 which includes adjustments for time value of money.

(iv) Leases - Right of Use of Assets:

Under the IGAAP, lease liabilities were recognised for finance leases and lease payments for operating leases were recognised on straight line basis over a period of lease term into Statement of Profit and Loss. Under Ind AS, the present value of the lease payments (other than small period and low value contracts) are recognised as lease liabilities and Right of Use Asset at an amount equal to the lease liability adjusted for any prepayments/accruals recognised in the balance sheet as on transition date. The above calculated amount is cumulative of Depreciation on right of use asset, finance cost and reversal of lease rent expenses.

(v) Deferred Tax:

The impact of transition adjustments for computation of deferred tax has resulted in change to the Reserves, on the date of transition, with consequential impact to the Statement of Profit and Loss/Other Comprehensive Income, as the case may be for the subsequent periods.

(c) Reconciliation of total other equity as per audited financial statements with total other equity as per Restated Consolidated Financial Information

The Group has followed the same accounting policy choices (transition options as per Ind AS 116) as adopted on April 01, 2019 for transition to Ind AS 116, while preparing the Restated Consolidated Financial Information for each of the period / year ended December 31, 2021, March 31, 2021, March 31, 2020, and March 31, 2019 . As specified in the Guidance Note, the total other equity balance computed under Restated Consolidated Financial Information for the year ended March 31, 2019 and total other equity balance computed on transition (using modified retrospective approach) to Ind AS 116 on 01 April 2019, differs due to restatement adjustments made for each of the year ended March 31, 2019 and April 1, 2018. Accordingly, the closing total other equity balance as at March 31, 2019 of the Restated Consolidated Financial Information has not been carried forward to opening Balance sheet as at April 01, 2019.

The reconciliation of the same is as follows :

Particulars	**Amount**
Total Other Equity	
Restated Total Other Equity as at March 31, 2019	820.61
Add: Adjustment on account of transition to Ind AS 116	2.67
Total Other Equity as at April 01, 2019 as per audited financial statements for year ended March 31, 2020	823.28

(d) Material re-groupings:

Appropriate regroupings have been made in the Restated Consolidated Statements of Assets and Liabilities, Consolidated Statement of Profit and Loss and Consolidated Statement of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Ind AS financial information of the Company for the nine month period ended December 31, 2021 respectively prepared in accordance with Schedule III of the Act, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

5 First-time adoption of Ind AS – mandatory exceptions, optional exemptions:

The Group has voluntarily adopted Ind AS w.e.f April 1, 2020 with a transition date of April 1, 2019. Accordingly, the consolidated financial statements for the nine months period ended December 31,2021 and year ended March 31, 2021 together with the comparative information for the year ended March 31, 2020 and opening Ind AS balance sheet as at April 1, 2019 have been prepared in accordance with accounting policies as set out in Note 3 - Significant accounting policies.

The Group has prepared its opening Ind AS balance sheet as at April 1, 2019 by recognising assets and liabilities whose recognition is required by Ind AS, derecognising assets and liabilities which are not permitted by Ind AS, reclassifying assets and liabilities as required by Ind AS, and applying Ind AS measurement principles, subject to certain optional exemptions and mandatory exceptions. The resulting difference between the carrying values of the assets and liabilities as at the transition date under Ind AS and IGAAP have been adjusted directly against "Other Equity".

This note explains the principal adjustments made by the Group in restating its IGAAP financial statements, including the Consolidated Balance Sheet as at April 1, 2019 and the previously published IGAAP financial statements as at and for the year ended March 31, 2020.

A Exemptions and Exceptions applied

Ind AS 101 First-time Adoption of Indian Accounting Standards allows first-time adopter certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following optional and mandatory exemptions:

(I) Ind AS optional exemptions

1 Property, Plant and Equipment and Intangible Assets
Ind AS 101, provides the option to continue with the carrying value of Property, Plant and Equipment and Intangible Assets as recognised in the IGAAP. The Group has elected to continue with the carrying value for all of its Property, Plant and Equipment and intangible Assets as recognized in the consolidated financial statements as at the date of transition to Ind AS, measured as per the IGAAP and use that as its deemed cost as at the date of transition.

2 Leases
Ind AS 101, requires to apply Ind AS 116, Leases whether a contract or arrangement existing at the date of transition contains a lease on the basis of facts and circumstances existing at the date of transition rather than at the inception of the arrangement. Right of Use of Assets on transition date comprises of the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date.

3 Business Combinations
The Group has elected to apply Ind AS 103 - Business Combinations prospectively to Business Combinations occurring subsequent to transition date. Hence, the Group has not restated its past business combinations that have an acquisition date prior to transition date.

(II) Ind AS mandatory exemptions

The Group has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101.

1 Estimates
The Group's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with IGAAP, unless there is objective evidence that those estimates were in error.
The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions at April 1, 2019, the date of transition to Ind AS and as of March 31, 2020.

2 Classification and measurement of financial assets
Ind AS 101 requires the Group to assess classification and measurement of financial assets (including debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

3 De-recognition of financial assets and liabilities
The Group has elected to apply the de-recognition provisions of Ind AS 109, Financial Instruments, prospectively from the date of transition to Ind AS.

B Transition to Ind AS - Reconciliations

The following reconciliations provide the explanation and qualification of the differences arising from the transition from IGAAP to Ind AS in accordance with Ind AS 101:

B1 Reconciliation of Consolidated Equity as previously reported under IGAAP to Ind AS as at April 1, 2019 and March 31, 2020
B2 Reconciliation of Consolidated Statement of Profit and Loss as previously reported under IGAAP to Ind AS for the year ended March 31, 2020
B3 Adjustments to Consolidated Statement of Cash Flows as previously reported under IGAAP to Ind AS for the year ended March 31, 2020

B1 Reconciliation of consolidated balance sheet as previously reported under IGAAP to Ind AS

(Rs. in Millions)

Particulars	Notes to First time Adoption	As at March 31, 2020			As at April 1, 2019		
		IGAAP*	Effect of transition to Ind-AS	Ind AS	IGAAP*	Effect of transition to Ind-AS	Ind AS
ASSETS							
(1) Financial Assets							
(a) Cash and Cash equivalents		806.39	-	**806.39**	542.15	-	**542.15**
(b) Bank Balances other than (a) above		166.61	-	**166.61**	117.64	-	**117.64**
(c) Securities for trade	(IV)	36.77	2.83	**39.60**	13.55	1.42	**14.97**
(d) Trade receivables	(V)	397.02	(2.31)	**394.71**	784.30	(8.28)	**776.02**
(e) Loans		9.16	-	**9.16**	5.48	-	**5.48**
(f) Investments	(IV)	78.71	(16.76)	**61.95**	72.04	(0.08)	**71.96**
(g) Other financial assets	(III)	149.84	(3.38)	**146.46**	130.02	(2.24)	**127.78**
		1,644.50	**(19.62)**	**1,624.88**	**1,665.18**	**(9.18)**	**1,656.00**
(2) Non-Financial Assets							
(a) Current Tax Asset (net)		7.66	-	**7.66**	6.77	-	**6.77**
(b) Deferred Tax Assets	(VI)	23.22	8.19	**31.41**	13.59	2.34	**15.93**
(c) Property, Plant and Equipment		179.26	-	**179.26**	168.99	-	**168.99**
(d) Capital work-in-progress		-	-	**-**	-	-	**-**
(d) Right-of-use assets	(II)	-	91.44	**91.44**	-	68.78	**68.78**
(e) Intangible assets		4.00	-	**4.00**	5.13	-	**5.13**
(f) Other non-financial assets		22.10	-	**22.10**	9.96	-	**9.96**
Total Current Assets		**236.24**	**99.63**	**335.87**	**204.44**	**71.12**	**275.56**
Total Assets		**1,880.74**	**80.01**	**1,960.75**	**1,869.62**	**61.94**	**1,931.56**
LIABILITIES AND EQUITY							
Liabilities							
(1) Financial Liabilities							
(a) Trade payables							
(a) Total outstanding dues of micro enterprises and small enterprises							
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		520.22	-	**520.22**	695.44	-	**695.44**
(b) Borrowings		77.56	-	**77.56**	228.72	-	**228.72**
(c) Lease liabilities	(II)	-	94.34	**94.34**	-	68.78	**68.78**
(d) Other financial liabilities		12.80	-	**12.80**	3.44	-	**3.44**
Total Financial Liabilities		**610.58**	**94.34**	**704.92**	**927.60**	**68.78**	**996.38**
(2) Non-Financial Liabilities							
(a) Current Tax Liability (net)		2.74	-	**2.74**	3.55	-	**3.55**
(b) Provisions		47.21	-	**47.21**	29.50	-	**29.50**
(c) Other non-financial liabilities		80.69	-	**80.69**	68.49	-	**68.49**
(d) Deferred tax liability		0.01	-	**0.01**	0.01	-	**0.01**
Total Non-Financial Liabilities		**130.65**	**-**	**130.65**	**101.55**	**-**	**101.55**
Equity							
(a) Equity Share capital		10.34		**10.34**	10.34	-	**10.34**
(b) Instrument entirely equity in nature		0.02	-	**0.02**	0.02	-	**0.02**
(c) Other equity		1,129.15	(14.34)	**1,114.82**	830.11	(6.84)	**823.27**
Total Equity attributable to Equity holders of the parent		**1,139.51**	**(14.34)**	**1,125.18**	**840.47**	**(6.84)**	**833.63**
Non-controling interest		-	-	-	-	-	-
Total Equity		**1,139.51**	**(14.34)**	**1,125.18**	**840.47**	**(6.84)**	**833.63**
Total Equity and Liabilities		**1,880.74**	**80.01**	**1,960.75**	**1,869.62**	**61.94**	**1,931.56**

*Indian GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Notes to the Restated Consolidated Financial Information (Rs. in Millions)

5 First-time adoption of Ind AS – mandatory exceptions, optional exemptions: (contd..)

B2 Reconciliation of Consolidated Statement of Profit and Loss as previously reported under IGAAP to Ind AS

Particulars	Notes	For the year ended March 31, 2020		
		IGAAP*	**Effect of transition to Ind AS**	**Ind AS**
I. INCOME				
(a) Revenue from operations		2,293.11	-	2,293.11
(b) Interest Income	(III)	47.62	0.18	47.81
(c) Net gain on fair value changes	(IV)	7.17	0.24	7.41
(c) Other Income	(III)&(IV)	29.28	(15.42)	13.87
Total Income		**2,377.18**	**(14.99)**	**2,362.20**
II. EXPENSES				
(a) Commission and Fees Expense		1,204.67	-	1,204.67
(b) Employee benefits expense	(I)	495.34	(6.12)	489.22
(c) Finance costs	(II)	17.47	9.32	26.79
(d) Impairment on Financial Instruments	(V)	17.77	(5.97)	11.80
(e) Depreciation and amortization expense	(II)	33.80	45.65	79.45
(f) Other expenses	(II)	226.88	(50.95)	175.93
Total Expenses		**1,995.91**	**(8.06)**	**1,987.86**
III. Profit before tax and Exceptional Item (I) - (II)		**381.27**	**(6.93)**	**374.34**
IV. Exceptional Item		**-**	**-**	**-**
V. Profit before tax (III) - (IV)		**381.27**	**(6.93)**	**374.34**
VI. Tax Expense				
(a) Current tax		109.93	-	109.93
(b) Deferred tax	(VI)	(9.61)	(4.51)	(14.12)
Total tax expense / (benefit)		**100.32**	**(4.51)**	**95.81**
Profit for the year (III) - (IV)		**280.95**	**(2.41)**	**278.53**
VI. Other comprehensive income				
(i) Items that will not be reclassified to profit or loss				
(a) Re-measurement of the defined benefit liabilities	(I)	-	(6.12)	(6.12)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(VI)	-	1.25	1.25
VII. Total comprehensive income for the year		**280.95**	**(7.28)**	**273.66**

*Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

5 First-time adoption of Ind AS – mandatory exceptions, optional exemptions: (contd..)

Footnotes to the reconciliation between IGAAP and Ind AS:

(I) Employee Benefits:
Under the IGAAP, actuarial gains and losses on defined benefit liabilities were recognised in the statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of re-measurement of net defined benefit liability which is recognised in other comprehensive income.

(II) Leases - Right of Use of Assets:
Under the IGAAP, lease liabilities were recognised for finance leases and lease payments for operating leases were recognised on straight line basis over a period of lease term into Statement of Profit and Loss. Under Ind AS, the present value of the lease payments (other than small period and low value contracts) are recognised as lease liabilities and Right of Use Asset at an amount equal to the lease liability adjusted for any prepayments/accruals recognised in the balance sheet as on transition date. The above calculated amount is cumulative of Depreciation on right of use asset, finance cost and reversal of lease rent expenses.

(III) Security Deposits:
Under the IGAAP, the carrying value of interest free security deposits are recorded at transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Group has recognised the security deposits at fair value on transition date.

(IV) Fair valuation of Investments/Securities held for trade:
Under the IGAAP, long-term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS, financial assets that have been classified at FVTOCI or FVTPL on the date of transition are measured at fair value and resultant gain or loss is recognised in other comprehensive income or the Statement of Profit and Loss (as applicable).

Under the IGAAP, current investments were measured at lower of cost or fair value. Under Ind AS, these investments are classified as FVTPL on the date of transition and measure at their fair value and the resultant gain or loss is recognised in the Statement of Profit and Loss.

Under the IGAAP, Securities held for trade were measured at lower of cost or fair value. Under Ind AS, these securities held for trade are classified as FVTPL on the date of transition and measure at their fair value and the resultant gain or loss is recognised in the Statement of Profit and Loss.

(V) Expected Credit Loss on Trade Receivables:
Under IGAAP, provision/write off on receivables is done based on the ageing of the receivables and evaluation done by the management for each customers. Under Ind AS, the Company has recognised impairment loss on trade receivables based on the expected credit loss model as required by Ind AS 109 which includes adjustments for time value of money.

(VI) Deferred Tax:
The impact of transition adjustments for computation of deferred tax has resulted in change to the Reserves, on the date of transition, with consequential impact to the Statement of Profit and Loss/Other Comprehensive Income, as the case may be for the subsequent periods.

B3 Effects of Ind AS adoption on the Statement of cash flows for the year ended March 31, 2020

The impact of transition from IGAAP to Ind AS on the Statement of Cash Flows is due to various reclassification adjustments recorded under Ind AS in Balance sheet and Statement of Profit and Loss.

(Rs. in Millions)

6 **Cash and Cash equivalents (measured at amortised cost)**	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Cash on Hand	0.55	0.51	0.48	0.40
Cheques on hand	-	-	-	0.58
Balance with Banks:				
- In current accounts	215.74	982.87	279.65	204.28
- In Fixed Deposits with original maturity of less than three months*	105.30	9.55	525.15	336.45
- Interest accrued but not due on Bank Deposits with remaining maturities less than 3 months	0.31	0.39	1.11	0.44
Total	**321.90**	**993.32**	**806.39**	**542.15**

*Bank Deposits includes fixed deposit lien with Banks against credit facilities of the company and with Stock Exchanges against deposits / margin requirements

7 **Bank Balances other than (a) above (measured at amortised cost)**	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Deposits held as Margin Money **	2.79	2.00	2.00	2.00
Bank Deposits with remaining maturities more than 3 months#	203.50	394.76	163.05	107.75
Interest accrued but not due on Bank Deposits	1.21	2.02	1.56	7.89
Total	**207.50**	**398.78**	**166.61**	**117.64**

**Includes Deposits under lien with Pension Fund Regulatory and Development Authority.
#Bank Deposits includes fixed deposit lien with Banks against credit facilities of the company and with Stock Exchanges against deposits / margin requirements

8 **Trade receivables (measured at amortised cost)**	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered Good				
Receivable from Clients/customers	863.11	656.38	414.65	659.90
Receivable from Exchanges	31.65	45.82	0.14	124.40
Less : Impairment allowances (ECL)	(18.32)	(19.08)	(20.08)	(8.28)
Total	**876.44**	**683.12**	**394.71**	**776.02**
Movement in expected credit loss allowance are as follows:				
Balance as at beginning of the period / year	**19.08**	20.08	8.28	18.10
Add: Provisions during the period / year (Refer note : 32)	(0.76)	(1.00)	11.80	(9.82)
Less: Amount written off during the period / year	-	-	-	-
Balance as at end of the period / year	**18.32**	**19.08**	**20.08**	**8.28**

(a) Carrying value of trade receivables may be affected by the changes in credit risk of the counterparties as explained in Note 43

(b) Trade receivables of Nil as at December 31, 2021 (Rs. 0.14 Millions as at March 31,2021, Nil as at March 31,2020 , Nil as at March 31, 2019) are due from directors or other officers of the Company. No trade receivables are due from firms or private companies in which any director is a partner, member or director.

(c) The Group has duly provided its services and fulfilled the performance obligations for the month of December 2021 in December 2021 itself, but as a part of its routine procedure, the Group has raised the invoices subsequent to the month. Since, the Group has an unconditional right to consideration and only the act of billing has been deferred, the same has been classified as Trade Receivable. This has been duly reflected as unbilled in the trade receivable ageing.

(Rs. in Millions)

Trade receivable as at December 31, 2021

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 Months - 1 year	1 - 2 Year	2 -3 year	More than 3 years	
(I) Undisputed Trade Receivable - Considered good	394.82	129.01	351.85	0.20	0.91	17.96	0.01	894.76
(II) Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(III) Undisputed Trade Receivable - Credit impaired	-	-	-	-	-	-	-	-
(IV) Disputed Trade Receivable - Considered good	-	-	-	-	-	-	-	-
(V) Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(VI) Disputed Trade Receivable - Credit impaired	-	-	-	-	-	-	-	-
Total	**394.82**	**129.01**	**351.85**	**0.20**	**0.91**	**17.96**	**0.01**	**894.76**

Trade receivable as at March 31, 2021

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 Months - 1 year	1 - 2 Year	2 -3 year	More than 3 years	
(I) Undisputed Trade Receivable - Considered good	8.08	136.08	535.43	3.22	18.89	0.41	0.09	702.20
(II) Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(III) Undisputed Trade Receivable - Credit impaired	-	-	-	-	-	-	-	-
(IV) Disputed Trade Receivable - Considered good	-	-	-	-	-	-	-	-
(V) Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(VI) Disputed Trade Receivable - Credit impaired	-	-	-	-	-	-	-	-
Total	**8.08**	**136.08**	**535.43**	**3.22**	**18.89**	**0.41**	**0.09**	**702.20**

Trade receivable as at March 31, 2020

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 Months - 1 year	1 - 2 Year	2 -3 year	More than 3 years	
(I) Undisputed Trade Receivable - Considered good	0.01	56.73	334.15	21.65	1.34	0.82	0.09	414.79
(II) Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(III) Undisputed Trade Receivable - Credit impaired	-	-	-	-	-	-	-	-
(IV) Disputed Trade Receivable - Considered good	-	-	-	-	-	-	-	-
(V) Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(VI) Disputed Trade Receivable - Credit impaired	-	-	-	-	-	-	-	-
Total	**0.01**	**56.73**	**334.15**	**21.65**	**1.34**	**0.82**	**0.09**	**414.79**

Trade receivable as at March 31, 2019

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 Months - 1 year	1 - 2 Year	2 -3 year	More than 3 years	
(I) Undisputed Trade Receivable - Considered good	-	207.10	562.56	6.96	4.68	1.61	1.39	784.30
(II) Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(III) Undisputed Trade Receivable - Credit impaired	-	-	-	-	-	-	-	-
(IV) Disputed Trade Receivable - Considered good	-	-	-	-	-	-	-	-
(V) Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(VI) Disputed Trade Receivable - Credit impaired	-	-	-	-	-	-	-	-
Total	**-**	**207.10**	**562.56**	**6.96**	**4.68**	**1.61**	**1.39**	**784.30**

(Rs. in Millions)

		As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
9	**Loans** **(Unsecured, considered good unless otherwise stated)**				
	Loans and Advances to Employees	5.26	5.06	9.16	5.49
	Total	**5.26**	**5.06**	**9.16**	**5.49**

		As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
10	**Other financial assets** **(Unsecured, considered good unless otherwise stated)** **(measured at amortised cost)**				
	Deposits with Exchanges*	39.36	38.08	19.70	18.20
	Margins with Exchanges and clearing member	38.04	28.23	101.95	91.64
	Less : Impairment Allowances (Refer Note : 32 & 51(b))	(20.47)	(20.47)	-	-
		17.57	**7.76**	**101.95**	**91.64**
	Deposit for leased premises	22.89	19.66	19.90	15.23
	Interest accrued but not due on Deposits & Margins	0.38	0.80	1.43	0.85
	Less : Impairment Allowances (Refer Note : 32 & 51(b))	(0.38)	(0.38)	-	-
		-	**0.42**	**1.43**	**0.85**
	Proposed IPO Expense Recoverable (Refer Note : 39)**	34.18	-	-	-
	Other Receivables	2.60	37.47	3.48	1.46
	Less : Impairment Allowances (Refer Note : 32 & 51(b))	(0.55)	(0.55)	-	-
		2.05	**36.92**	**3.48**	**1.46**
	Interest Receivable	-	0.08	-	-
	Total	**116.05**	**102.92**	**146.46**	**127.38**

* The above fixed deposits are under lien with stock exchange as security deposit and minimum base capital requirements
**This includes provision for payment to be made to statutory auditors for IPO related services .

(Rs. in Millions)

11 Securities for trade	**As at December 31, 2021**	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2019**
Quoted - measured at Fair value through profit and loss				
Equity Shares (Refer Note (i) below)	9.01	6.32	2.44	2.97
Bonds (Refer Note (ii) below)	40.90	112.75	35.15	12.00
Unquoted - measured at Fair value through profit and loss				
Equity Share (Refer Note (i) below)	13.95	12.13	2.01	-
Total	**63.86**	**131.20**	**39.60**	**14.97**

(i) Equity Shares - Securities for trade

Particulars	As at December 31, 2021			As at March 31, 2021			As at March 31, 2020			As at March 31, 2019		
	Number of shares	Face Value per share	Value	Number of shares	Face Value per share	Value	Number of shares	Face Value per share	Value	Number of shares	Face Value per share	Value
Quoted Shares												
HEC Infra Projects Limited	36,000.00	10.00	1.17	7,200	10	0.85	7,200	10	0.85	7,200	10	0.96
Maheshwari Logistics Limited	12,000.00	10.00	1.11	6,000	10	0.90	6,000	10	0.84	6,000	10	1.29
Reliance Nippon Life Asset Management Limited	1,514.00	10.00	0.53	1,514	10	0.51	1,514	10	0.38	1,514	10	0.31
Wealth First Portfolio Managers Limited	5,000.00	10.00	1.35	3,000	10	0.63	3,000	10	0.37	3,000	10	0.41
Nazara Technology Limited	2,000.00	4.00	4.59	2,000	4	2.93				-	-	-
Suryoday Small Finance Bank Limited	1,810.00	10.00	0.26	1,810	10	0.50				-	-	-
			9.01			**6.32**			**2.44**			**2.97**
Unquoted Shares												
Chennai Super Kings Cricket Limited	11,590.00	0.10	1.96	1,080	0.10	0.09	4,540	-	0.11	-	-	-
Fino Paytech Limited	10,330.00	10.00	2.69	14,390	10	3.05	260	10	0.03	-	-	-
HDB Financial Services Limited	250.00	10.00	0.21	2,460	10	2.37	551	10	0.48	-	-	-
HDFC Securities Limited	35.00	10.00	0.56	75	10	0.68	70	10	0.55	-	-	-
Hero Fin Corp Limited	230.00	10.00	0.22	150	10	0.16	62	10	0.06	-	-	-
Nazara Technology Limited				-	-	-	326	4	0.17	-	-	-
Reliance Retail Limited	990.00	10.00	3.22	480	10	0.73	500	10	0.35	-	-	-
Suryoday Small Finance Bank Limited	-	-	-	-	-	-	533	10	0.17	-	-	-
UTI Asset Management Limited	-	-	-	-	-	-	90	10	0.09	-	-	-
Kurlon Enterprises Limited	719.00	5.00	0.50	85	5	0.06	-	-	-	-	-	-
Merino Industries Limited	360.00	10.00	1.28	390	10	1.13	-	-	-	-	-	-
Mohan Meakin Limited	745.00	5.00	0.91	550	5	0.49	-	-	-	-	-	-
NCL Buildtek Limited	20.00	10.00	0.01	890	10	0.18	-	-	-	-	-	-
Shriram Life Insurance Co Limited	-	-	-	1,000	10	0.20	-	-	-	-	-	-
Studds Accessories Limited	180.00	5.00	0.27	1,400	5	2.14	-	-	-	-	-	-
Tamil Nadu Mercantile Bank Limited	-	-	-	250	10	0.12	-	-	-	-	-	-
Tata Technologies Limited	40.00	10.00	0.20	220	10	0.39	-	-	-	-	-	-
Utkarsh CoreInvest Limited	360.00	10.00	0.07	1,400	10	0.28	-	-	-	-	-	-
Capital Small Finance Bank Limited	30.00	10.00	0.01	250	10	0.06	-	-	-	-	-	-
Cochin International Airport Limited	783.00	10.00	0.15	-	-	-	-	-	-	-	-	-
Indofil Industries Limited	700.00	10.00	0.58	-	-	-	-	-	-	-	-	-
Sterlite Power Transmission Limited	800.00	2.00	1.08	-	-	-	-	-	-	-	-	-
Maharashtra Knowledge Corporation Limited	50.00	10.00	0.03	-	-	-	-	-	-	-	-	-
			13.95			**12.13**			**2.01**			**-**
Total			**22.96**			**18.45**			**4.45**	**-**	**-**	**2.97**

(Rs. in Millions)

(ii) Bonds - Securities for trade

Particulars	As at December 31, 2021			As at March 31, 2021			As at March 31, 2020			As at March 31, 2019		
	Number of Bonds	Face Value per Bond (in Rs.)	Value	Number of Bonds	Face Value per Bond (in Rs.)	Value	Number of Bonds	Face Value per Bond (in Rs.)	Value	Number of shares	Face Value per Bond (in Rs.)	Value
ICICI Bank Ltd Bond 2023 @ 9.90%	-	-	-	-	-	-	1	1,000,000	1.05	5	1,000,000	5.03
Indusind Bank Ltd Perp Bond 2024@10.50%	-	-	-	5	1,000,000	5.00	2	1,000,000	2.00	7	1,000,000	6.97
BOB Perp Bond 2024 @ 8.70%	-	-	-	-	-	-	4	1,000,000	4.12	-	-	-
Cholamandalam Investment & Fin Co Ltd 2029@10.75%	-	-	-	-	-	-	4	500,000	2.07	-	-	-
DCB Bank Ltd Bond 2026 @ 9.85%	-	-	-	-	-	-	2	100,000	0.20	-	-	-
HDFC Bank Ltd Perp Bond 2022 @ 8.85%	-	-	-	-	-	-	1	1,000,000	1.07	-	-	-
IREDA Tax Free Bond 2034 @ 8.80%	-	-	-	-	-	-	250	1,000	0.33	-	-	-
L&T Finance Holdings Ltd 2023@7.95%	-	-	-		100	0.84	7,000	100	0.57	-	-	-
Nabard Tax Free Bond 2031 @ 7.35%	-	-	-	-	-	-	500	1,000	0.56	-	-	-
NHAI Tax Free Bond 2031 @ 7.39%	-	-	-	-	-	-	983	1,000	4.55	-	-	-
PFC Bond 2035 @ 7.35%	-	-	-	-	-	-	307	1,000	0.40	-	-	-
Punjab National Bond 2025 @ 9.15%	1.00	1,000,000.00	1.03	-	-	-	4	1,000,000	4.02	-	-	-
Punjab & Sind Bank Bond 2022 @ 10.90%	-	-	-	2	1,000,000	1.99	10	1,000,000	10.27	-	-	-
The South Indian Bank Ltd Bond 2025 @13.75%	-	-	-	-	-	-	18	100,000	1.78	-	-	-
The South Indian Bank Ltd Bond 2028 @9.50%	-	-	-	-	-	-	12	100,000	1.19	-	-	-
UPPCL 2023 @ 9.75%	-	-	-	-	-	-	1	1,000,000	0.97	-	-	-
Bank of Maharashtra 2025@7.75%	4.00	1,000,000.00	4.06	5	1,000,000	4.97	-	-	-	-	-	-
BOB Perp Bond 2025 @ 8.25%	-	-	-	1	1,000,000	0.99	-	-	-	-	-	-
BOB Perp Bond 2025 @ 8.50%	-	-	-	13	1,000,000	13.98	-	-	-	-	-	-
Central Bank of India 2023@9.90%	-	-	-	4	1,000,000	4.05	-	-	-	-	-	-
Hinduja Leyland Finance Ltd 2026@9.75%	4.00	1,000,000.00	4.08	10	1,000,000	9.93	-	-	-	-	-	-
ICICI Home Finance 2030@7.50%	-	-	-	4	500,000	2.01	-	-	-	-	-	-
IIFCL Bond 2033 @ 7.40%	-	-	-	2,093	1,000	2.56	-	-	-	-	-	-
Indian Bank 2025@8.44%	-	-	-	10	1,000,000	9.97	-	-	-	-	-	-
Mahanagar Telephone Ltd 2030@7.05%	-	-	-	10	1,000,000	10.07	-	-	-	-	-	-
PFC 2036@7.15%	-	-	-	5,000	1,000	5.13	-	-	-	-	-	-
State Bank of India 2025@7.74%	-	-	-	9	1,000,000	9.05	-	-	-	-	-	-
The Karur Vysya Bank Ltd Bond 2029@11.95%	-	-	-	42	100,000	4.31	-	-	-	-	-	-
Edelweiss Yield Plus 35 Months July 2021	-	-	-	40	100,000	4.05	-	-	-	-	-	-
UPPCL 2024 @ 9.75%	-	-	-	10	1,000,000	10.14	-	-	-	-	-	-
UPPCL 2025@8.97%	-	-	-	5	1,000,000	5.23	-	-	-	-	-	-
UPPCL 2026 @ 10.15%	-	-	-	7	1,000,000	7.42	-	-	-	-	-	-
UPPCL 2028 @ 10.15%	-	-	-	1	1,000,000	1.06	-	-	-	-	-	-
Ghazibad Nagar Nigam 2026@8.10%	37.00	142,900	5.40	-	-	-	-	-	-	-	-	-
GS 2050@6.67%	-	-	-	-	-	-	-	-	-	-	-	-
Hinduja Leyland Finance Ltd 2028@9.75%	-	-	-	-	-	-	-	-	-	-	-	-
India Grid Trust 2031@8.20%	1,800.00	1,000	1.97	-	-	-	-	-	-	-	-	-
UPPCL NCD 2026 @ 8.48%	1.00	1,000,000	1.04	-	-	-	-	-	-	-	-	-
UPPCL NCD 2027 @ 9.75%	9.00	1,000,000	9.42	-	-	-	-	-	-	-	-	-
ECL Finance Limited 2028@9.85%	125.00	1,000	0.12	-	-	-	-	-	-	-	-	-
Piramal Capital and Housing Finance Ltd 2031@6.75%	3,400.00	1,000	2.81	-	-	-	-	-	-	-	-	-
IDBI Bank Ltd 2030@9.50%	3.00	1,000,000	3.08	-	-	-	-	-	-	-	-	-
IIFL Finance Ltd 2028@10%	5.00	1,000	0.01	-	-	-	-	-	-	-	-	-
Muthoot finance ltd bond 2031@8%	700.00	1,000	0.74	-	-	-	-	-	-	-	-	-
PVR Limited 2022	3.00	1,000,000	3.04	-	-	-	-	-	-	-	-	-
Shriram City Union Fin Ltd MLD 2024	4.00	1,000,000	4.10	-	-	-	-	-	-	-	-	-
Total			**40.90**			**112.75**			**35.15**			**12.00**

(Rs. in Millions)

12 Investments	Face Value (₹)	No. of Shares / Units / As at December 31, 2021	Amount As at December 31, 2021	No. of Shares / Units / Debentures As at March 31, 2021	Amount As at March 31, 2021	No. of Shares / Units / Debentures As at March 31, 2020	Amount As at March 31, 2020	No. of Shares / Units / Debentures As at March 31, 2019	Amount As at March 31, 2019
(i) Investments in Preference Shares									
(Quoted - measured at amortised cost,)									
IL&FS Limited									
2021 Non Convertible Redeemable Preference Shares @ 16.06%	7,500	760.00	9.50	760	9.50	760.00	9.50	760.00	9.50
Less: Impairment allowances			(9.50)		(9.50)		(9.37)		(8.59)
			-		-		**0.13**		**0.91**
2021 Non Convertible Redeemable Preference shares @ 15.99%	7,500	40.00	0.50	40	0.50	40.00	0.50	40.00	0.50
Less: Impairment allowances			(0.50)		(0.50)		(0.49)		(0.43)
			-		-		**0.01**		**0.07**
Total					**-**		**0.14**		**0.98**
(ii) Investments in Bonds									
(Quoted - measured at amortised cost)									
9.75% Uttar Pradesh Power Corporation Ltd. 2024	1,000,000	1	1.01	1	1.01	-	-	-	-
11.01% Meghalaya Energy Corporation Ltd. 14/01/2031	1,000,000	1	1.06	1	1.06		-	-	-
9.90% Central Bank of India 2023	1,000,000	1	1.07	1	1.07		-	-	-
10.15% Uttar Pradesh Power Corporation Ltd. 2022	1,000,000	1	0.26	1	1.01		-	-	-
IIFCL Bond 2029 @ 8.73%	1,000	670	0.79	670	0.79	670.00	0.79	670.00	0.79
NHAI Tax Free Bond 2022 @ 8.20%	1,000	-	-	983	1.06	983.00	1.06	983.00	1.06
PFC Tax Free Bond 2022 @ 8.20%	1,000	-	-	1,424	1.53	1,424.00	1.53	1,424.00	1.53
LIC Housing Finance Ltd Bond 2019 @ 7.81%	-	-	-	-	-	-	-	12.00	12.00
ERFL Bond 2023 @ 9.00%	-	-	-	-	-	-	-	100.00	0.09
Total			**4.19**		**7.53**		**3.38**		**15.47**
(iii) Investments in Mutual Funds									
(Unquoted - measured at Fair value through profit and loss)									
Axis Strategic Bond Fund	-	964,100	21.29	5,786,878	122.24	-	-	-	-
SBI Liquid Fund	-	1,205	3.96	-	-	876.00	2.72		-
Reliance ETF Liquidbees	-	2	0.00	2	0.00	2.41	0.00	2.41	0.00
HDFC Charity Fund for Cancer Cure - Arbitrage Plan	-	-	-	-	-	250,000.00	2.51	250,000.00	2.50
Mirae Asset Emerging Bluechip Fund Direct Plan Growth	-	-	-	-	-	96,647.00	4.36	96,647.09	5.45
Mirae Asset Large Cap Fund Growth Plan	-	11,394	0.90	59,525	3.90	-	-		-
Nippon India Multi Cap Fund-Growth Plan Growth Option	-	6,820	0.99	193,014	21.74	-	-	-	-
ICICI Prudential Focused Bluechip Equity Fund - Dividend	-	-	-	-	-	-	-	482,963.22	10.27
Mirae Emerging Bluechip Fund - Regular Plan - Dividend	-	-	-	-	-	-	-	192,456.54	5.63
Reliance Equity Opportunities Fund - Dividend	-	-	-	-	-	-	-	434,088.86	12.40
SBI MSFU Emerging Business Fund - Dividend	-	-	-	-	-	-	-	394,013.63	10.13
ICICI Prudential Bluechip Fund Direct Growth	-	3,559	-	-	-	98,808.00	3.34	44,520.50	1.99
ICICI Prudential Bluechip Fund Growth	-	15,084	0.98	387,102	20.76	330,771.18	10.52	30,081.81	1.27
Mirae Asset India Equity Fund Direct Plan Growth	-	-	-	-	-	34,219.15	1.42	12,053.59	0.65
Mirae Asset India Equity Fund Growth Plan	-	-	-	-	-	36,720.00	1.43	12,602.66	0.65
Reliance Multi Cap Fund - Direct Growth Plan Growth Option (EOAGG)	-	-	-	-	-	18,152.54	0.84	6,208.73	0.65
Reliance Multi Cap Fund Growth Plan Growth Option (EOGPG)	-	-	-	-	-	164,296.00	1.24	13,035.48	1.30
Nippon India Multi Cap Fund Direct Plan Dividend Plan	-	-	-	-	-	18,152.00	10.64	-	-
SBI Focused Equity Fund Direct Plan	-	-	-	501	0.10	24,498.00	3.13	8,878.96	1.32
SBI Focused Equity Fund Regular Plan Growth	-	3,988	1.00	113,937	21.31	98,766.00	11.83	9,342.67	1.30
Mirae Asset Emerging Bluechip Fund - Regular Plan Growth Option	-	-	-	105,595	8.29	105,594.00	4.46	-	-

(Rs. in Millions)

12 Investments	**Face Value (₹)**	**No. of Shares / Units / As at December 31, 2021**	**Amount As at December 31, 2021**	**No. of Shares / Units / Debentures As at March 31, 2021**	**Amount As at March 31, 2021**	**No. of Shares / Units / Debentures As at March 31, 2020**	**Amount As at March 31, 2020**	**No. of Shares / Units / Debentures As at March 31, 2019**	**Amount As at March 31, 2019**
HDFC Corporate Bond Fund	-	800,075	20.73	-	-	-	-	-	-
HDFC Low Duration Fund	-	554,916	25.74	-	-	-	-	-	-
ICICI Prudential Savings Fund	-	84,018	36.13	-	-	-	-	-	-
Kotak Bond short term fund	-	732,761	30.96	-	-	-	-	-	-
Nippon India corporate bond fund	-	439,742	20.77	-	-	-	-	-	-
Nippon India short term Fund	-	488,882	20.71	-	-	-	-	-	-
Aditya Birla Sun Life Liquid Fund	-	408,231	137.77	-	-	-	-	-	-
Total			**321.93**		**198.34**		**58.44**		**55.51**
Total (i) + (ii) + (iii)			**326.12**		**205.87**		**61.96**		**71.96**
Aggregate amount of Quoted Investments			4.19		7.53		3.51		16.44
Market value of Quoted Investments			4.26		7.53		3.52		16.44
Aggregate amount of Unquoted Investments			321.93		198.34		58.44		55.51

(Rs. in Millions)

13 Property, Plant and Equipments

Particulars	Land	Buildings	Computer	Furniture and Fixtures	Office Equipment	Vehicles (Refer note -a)	Total
Gross Block							
Deemed Cost							
As at April 01, 2018	-	33.54	23.56	11.54	7.03	23.08	98.75
Additions on acquisition/merger	-	-	0.02	-	-	-	0.02
Addition during the year	40.27	28.90	7.87	24.28	12.01	0.39	113.72
Deduction/Adjustment during the year	-	-	(0.12)	(0.66)	(0.02)	-	(0.80)
Disposal on account of sale of subsidiary	-	-	(0.01)	(0.08)	-	-	(0.09)
As at March 31, 2019	40.27	62.44	31.32	35.08	19.02	23.47	211.60
As at April 01, 2019	40.27	57.13	16.97	26.91	13.72	13.98	168.99
Additions on acquisition/merger	-	6.24	0.44	1.93	0.86	1.52	10.99
Addition during the year	-	8.99	17.16	2.53	2.60	-	31.28
Deduction/Adjustment during the year	-	-	(0.22)	(0.31)	(0.18)	(0.01)	(0.72)
Disposal on account of sale of subsidiary							
As at March 31, 2020	40.27	72.36	34.35	31.06	17.00	15.49	210.54
Additions onacquisition /merger							
Addition during the year	-	1.74	3.38	5.77	7.14	-	18.03
Deduction/Adjustment during the year	-	-	(0.04)	(0.03)	(0.04)	(0.96)	(1.07)
As at March 31, 2021	40.27	74.10	37.69	36.80	24.10	14.53	227.50
Addition during the period	-	-	7.39	3.63	1.83	2.04	14.89
Deduction/Adjustment during the period	-	-	(0.31)	(0.11)	(0.36)	-	(0.78)
As at December 31, 2021	40.27	74.10	44.77	40.32	25.57	16.57	241.61
Accumulated Depreciation							
As at April 01, 2018	-	-	-	-	-	-	-
Depreciation for the year	-	5.31	14.44	8.19	5.30	9.49	42.73
Deduction/Adjustment during the year	-	-	(0.06)	(0.04)	-		(0.10)
Disposal on account of sale of subsidiary	-	-	-	(0.02)	-	-	(0.02)
As at March 31, 2019	-	5.31	14.38	8.13	5.30	9.49	42.61
As at April 01, 2019	-	-	-	-	-	-	-
Depreciation for the year	-	3.78	10.75	7.61	4.79	4.56	31.49
Deduction/Adjustment during the year	-	-	(0.09)	(0.06)	(0.06)	-	(0.21)
As at March 31, 2020	-	3.78	10.66	7.55	4.73	4.56	31.28
Additions on acquisition/merger	-	-	-	-	-	-	-
Depreciation for the year	-	3.90	4.34	6.65	12.17	3.13	30.20
Deduction/Adjustment during the year	-	-	(0.01)	-	(0.03)	(0.41)	(0.45)
As at March 31, 2021	-	7.68	14.99	14.20	16.87	7.28	61.02
Depreciation for the period	-	2.73	7.78	4.55	2.79	1.69	19.54
Deduction/Adjustment during the period	-	-	(0.21)	(0.02)	(0.24)	-	(0.47)
As at December 31, 2021	-	10.41	22.56	18.73	19.42	8.97	80.09
Net Carrying Value as at December 31, 2021	40.27	63.69	22.21	21.59	6.15	7.60	161.52
Net Carrying Value as at March 31, 2021	40.27	66.42	22.70	22.60	7.23	7.25	166.47
Net Carrying Value as at March 31, 2020	40.27	68.58	23.69	23.52	12.27	10.93	179.26
Net Carrying Value as at March 31, 2019	40.27	57.13	16.97	26.91	13.72	13.98	168.99

(a) Vehicles have been hypothecated as security against the borrowings. Refer Note 18

(Rs. in Millions)

14 Right-of-use assets

Particulars	Carrying Amount as at April 01, 2018*	Additions on acquisition / merger	Additions during the year	Deletion during the year	Amortization during the year	Carrying Amount as at March 31, 2019
Office Premises	**56.03**	-	43.92	-	(31.14)	**68.81**

Particulars	Carrying Amount as at March 31, 2019	Ind AS 116 transition adjustments (Refer Note 4(c))	Carrying Amount as at April 01, 2019	Additions on acquisition / merger	Additions during the year	Deletion during the year	Amortization during the year	Carrying Amount as at March 31, 2020
Office Premises	**68.81**	(0.03)	68.78	9.88	70.09	(11.66)	(45.65)	**91.44**

Particulars	Carrying Amount as at April 01, 2020	Additions on acquisition / merger	Additions during the year	Deletion during the year	Amortization during the year	Carrying Amount March 31, 2021
Office Premises	**91.44**	**-**	52.61	(2.15)	(48.59)	**93.31**

Particulars	Carrying Amount as at April 01, 2021	Additions on acquisition / merger	Additions during the period	Deletion during the period	Amortization during the period	Carrying Amount December 31, 2021
Office Premises	**93.31**	**-**	84.57	(16.07)	(39.46)	**122.35**

* Carrying amount as at April 01, 2018 is recognised on initial application of Ind AS 116.

(a) The Group has leases for the office premises. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected in the Balance Sheet as a right-of-use asset and a lease liability. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

15 Intangible Assets

Particulars	Customer Folios (Refer note 52)	Computer Software	Total
Gross Block			
Deemed Cost			
As at April 01, 2018	**-**	**3.17**	**3.17**
Additions onacquisition /merger	-	0.01	**0.01**
Additions during the year	-	4.32	**4.32**
Disposals/ Adjustments	-	(0.01)	**(0.01)**
Disposal on account of sale of subsidiary	-	-	**-**
As at March 31, 2019	**-**	**7.49**	**7.49**
As at April 01, 2019	-	5.13	**5.13**
Additions onacquisition /merger	-	0.14	**0.14**
Additions during the year	-	1.05	**1.05**
Disposals/ Adjustments	-	-	-
As at March 31, 2020	**-**	**6.32**	**6.32**
Additions during the year	-	2.71	**2.71**
Disposals/ Adjustments	-	-	-
As at March 31, 2021	**-**	**9.03**	**9.03**
Additions during the period	**1,510.00**	**0.37**	**1,510.37**
Disposals/ Adjustments	**-**	**-**	**-**
As at December 31, 2021	**1,510.00**	**9.40**	**1,519.40**
Accumulated Depreciation and Amortisation			
As at April 01, 2018	**-**		**-**
Additions onacquisition /merger	-		**-**
Additions during the year	-	2.36	**2.36**
Disposals/ Adjustments	-	-	**-**
Disposal on account of sale of subsidiary	-	-	**-**
As at March 31, 2019	**-**	**2.36**	**2.36**
As at April 01, 2019	-	-	**-**
Additions during the year	-	2.32	**2.32**
Disposals/ Adjustments	-	-	**-**
As at March 31, 2020	**-**	**2.32**	**2.32**
Additions during the year	-	2.40	**2.40**
Disposals/ Adjustments	-	-	-
As at March 31, 2021	**-**	**4.72**	**4.72**
Additions during the period	26.48	1.42	27.90
Disposals/ Adjustments	-	-	**-**
As at December 31, 2021	**26.48**	**6.14**	**32.62**
Net Carrying Value as at December 31, 2021	**1,483.52**	**3.26**	**1,486.78**
Net Carrying Value as at March 31, 2021	**-**	**4.31**	**4.31**
Net Carrying Value as at March 31, 2020	**-**	**4.00**	**4.00**
Net Carrying Value as at March 31, 2019	**-**	**5.13**	**5.13**

16 Other non-financial assets

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Capital Advances	-	-	2.53	-
Balance with Government Authorities	122.35	0.52	0.28	0.28
Advances to suppliers	24.18	6.44	7.06	2.40
Prepaid expenses	13.90	14.72	8.80	7.28
Other Receivables	0.06	-	-	-
Amount Paid under Protest	-	-	6.85	-
Less: Provision for Doubtful debts (Refer note : 51(a)(ii))	-	-	(3.42)	-
		-	**3.43**	**-**
Total	**160.49**	**21.68**	**22.10**	**9.96**

(Rs. in Millions)

17 Trade payables	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(at amortised cost)				
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises				
- Payable to Clients	704.95	623.40	290.49	484.87
- Payable to Exchanges	5.99	5.64	17.13	0.38
- Payable to Vendors	424.89	310.31	212.60	210.19
Total	1,135.83	939.35	520.22	695.44

Details of dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006. This information has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by auditors.

The amounts remaining unpaid to any supplier at the end of the year:	-	-	-	-
1. Principal Amount	-	-	-	-
2. Interest Amount	-	-	-	-
The amounts of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006	-	-	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting period / year.	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period / year	-	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-	-	-

Trade Payable as at December 31, 2021

			Outstanding for following periods from due date of payment				
Particulars	**Unbilled**	**Not due**	**Less than 1 Year**	**1 - 2 Year**	**2 -3 year**	**More than 3 years**	**Total**
(I) MSME	-	-	-	-	-	-	-
(II) others	145.88	116.23	873.58	0.01	0.11	0.02	1135.83
(IV) Disputed dues - MSME	-	-	-	-	-	-	-
(IV) Disputed dues - others	-	-	-	-	-	-	-
Total	**145.88**	**116.23**	**873.58**	**0.01**	**0.11**	**0.02**	**1135.83**

Trade Payable as at March 31, 2021

			Outstanding for following periods from due date of payment				
Particulars	**Unbilled**	**Not due**	**Less than 1 Year**	**1 - 2 Year**	**2 -3 year**	**More than 3 years**	**Total**
(I) MSME	-	-	-	-	-	-	-
(II) others	60.39	364.54	512.88	0.47	0.29	0.78	939.35
(IV) Disputed dues - MSME	-	-	-	-	-	-	-
(IV) Disputed dues - others	-	-	-	-	-	-	-
Total	**60.39**	**364.54**	**512.88**	**0.47**	**0.29**	**0.78**	**939.35**

Trade Payable as at March 31, 2020

			Outstanding for following periods from due date of payment				
Particulars	**Unbilled**	**Not due**	**Less than 1 Year**	**1 - 2 Year**	**2 -3 year**	**More than 3 years**	**Total**
(I) MSME	-	-	-	-	-	-	-
(II) others	44.85	143.34	330.83	0.39	0.37	0.44	520.22
(IV) Disputed dues - MSME	-	-	-	-	-	-	-
(IV) Disputed dues - others	-	-	-	-	-	-	-
Total	**44.85**	**143.34**	**330.83**	**0.39**	**0.37**	**0.44**	**520.22**

Trade Payable as at March 31, 2019

			Outstanding for following periods from due date of payment				
Particulars	**Unbilled**	**Not due**	**Less than 1 Year**	**1 - 2 Year**	**2 -3 year**	**More than 3 years**	**Total**
(I) MSME	-	-	-	-	-	-	-
(II) others	27.26	349.26	316.72	1.66	0.23	0.31	695.44
(IV) Disputed dues - MSME	-	-	-	-	-	-	-
(IV) Disputed dues - others	-	-	-	-	-	-	-
Total	**27.26**	**349.26**	**316.72**	**1.66**	**0.23**	**0.31**	**695.44**

18 Borrowings	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(at amortised cost)				
Secured				
Term Loan				
- from banks	-	-	31.87	46.12
Unsecured				-
- from banks	-	-	45.00	7.03
- from Financial Institution	-	26.00	-	174.30
- from Related Parties (Refer Note-39)	330.00	-	-	-
Interest accrued but not due on borrowings	0.02	0.10	0.69	1.27
Total	330.02	26.10	77.56	228.72

The aforesaid term loans from banks are secured by hypothecation of vehicles.

(a) Security against Borrowings from bank and financial institutions	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Fixed Deposits and Vehicles	-	-	31.87	46.12
Total	-	-	31.87	46.12

(b) Rate of Interest is ranging from 8.00% to 11.50% for all above borrowings

(Rs. in Millions)

19 Lease Liabilities	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(at amortised cost)				
	99.91	**94.34**	**72.03**	**56.03**
Ind AS 116 transition adjustments (Refer Note 4(c))	-	-	(3.26)	-
Additions on acquisition	-	-	9.89	-
Additions	81.83	50.81	67.22	42.36
Adjustment / Deletion	(17.60)	(2.26)	(11.92)	-
Finance Cost	7.72	9.17	9.32	7.23
Lease Payments	(44.21)	(52.15)	(48.94)	(33.59)
Total	**127.65**	**99.91**	**94.34**	**72.03**

Lease payments not recognised as a liability
The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

The expense relating to payments not included in the measurement of the lease liability mainly pertains to the short term leases.

20 Other financial liabilities	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(at amortised cost)				
Security deposits received	5.16	5.42	4.66	3.32
Other payable	26.51	19.81	8.14	0.12
Total	**31.67**	**25.23**	**12.80**	**3.44**

Disclosure of changes in liabilities arising from financing activities, including changes arising from cash flows is as under :

Particulars	Issue of Preference shares	Borrowings	Lease Liabilities	Dividend
As at April 1, 2018	-	246.95	-	-
Adjustment due to adoption of Ind AS 116	-	-	56.03	-
Deletion due to Divestment	-	(26.27)	-	-
Addition during the year	-	-	42.36	-
Adjustments/deletion	-	-	-	-
Charged to Profit and Loss	-	23.63	7.23	-
Dividend recognised during the year	-	-	-	54.70
Issuance of preference shares	(9.46)	-	-	-
Cash flow movement	9.46	(15.59)	(33.59)	(54.70)
As at March 31, 2019	**-**	**228.72**	**72.03**	**-**

Particulars	Share issue Expense	Borrowings	Lease Liabilities	Dividend
As at April 1, 2019		228.72	-	-
Adjustment due to adoption of Ind AS 116		-	68.78	-
Addition due to acquisition		-	9.88	-
Addition during the year		-	67.22	-
Adjustments/deletion		-	(11.92)	-
Charged to Profit and Loss		17.47	9.32	-
Dividend recognised during the year		-	-	3.12
Cash flow movement		(168.63)	(48.94)	(3.12)
As at March 31, 2020		**77.56**	**94.34**	**-**
Addition during the year		-	50.81	-
Adjustments/deletion		-	(2.26)	-
Charged to Profit and Loss		7.39	9.17	-
Dividend recognised during the year		-	-	2.58
Cash flow movement		(58.85)	(52.15)	(2.58)
As at March 31, 2021		**26.10**	**99.91**	**-**
Addition during the period		-	81.83	-
Adjustments/deletion		-	(17.60)	-
Charged to Profit and Loss		11.19	7.72	-
Dividend recognised during the period				3.10
Cash flow movement	(34.18)	292.73	(44.21)	(3.10)
As at December 31, 2021	(34.18)	**330.02**	**127.65**	**-**

21 Provisions	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Provision for gratuity (Refer Note 38)	50.27	42.35	35.23	22.99
Provision for compensated absences (Refer Note 38)	20.08	14.94	11.98	6.51
Total	**70.35**	**57.29**	**47.21**	**29.50**

22 Other non-financial liabilities	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Advance received from customers (Contract liabilities)	1.30	11.16	-	0.40
Statutory dues	20.35	101.39	80.69	68.09
Total	**21.65**	**112.55**	**80.69**	**68.49**

(Rs. in Millions)

23 **Equity Share capital**	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Authorised				
48,000,000 Equity shares of Rs. 5/- each [March 31, 2021: 1,40,00,000, March 31, 2020: 1,40,00,000 and March 31, 2019: 1,40,00,000 Equity Shares of Rs. 10 each]	240.00	140.00	140.00	140.00
	240.00	140.00	140.00	140.00
Issued, subscribed and fully paid up				
41,406,680 Equity shares of Rs. 5/- each fully paid-up [March 31, 2021: 10,33,600, March 31, 2020: 10,33,600 and March 31, 2019: 10,33,600 Equity shares of Rs. 10/- each fully paid-up]	207.03	10.34	10.34	10.34
Total issued, subscribed and fully paid-up share capital	207.03	10.34	10.34	10.34

(i) Reconciliation of number of shares

Equity Shares	Number of Shares	Amount
Balance as at April 01, 2018	1,033,600	10.34
Add: Issue of shares during the year	-	-
Balance as at March 31, 2019	1,033,600	10.34
Add: Issue of shares during the year	-	-
Balance as at March 31, 2020	1,033,600	10.34
Add: Issue of shares during the year	-	-
Balance as at March 31, 2021	1,033,600	10.34
Add : Issue during the period	-	-
Add : Bonus Shares issued during the period*	19,638,400	196.38
Add : Split Share*	20,672,000	-
Add : Conversion of NCCCPS (Refer Note - 24)	62,680	0.31
Balance as at December 31, 2021	41,406,680.00	207.03

*Pursuant to the Board resolution dated, July 22, 2021 and Shareholders' resolution dated July 23, 2021, the Company has issued 19 bonus shares of face value 10 each for every 1 existing fully paid up equity share of face value Rs. 10 each and accordingly 1,96,38,400 bonus shares were issued, which were allotted on August 3, 2021 (the "Bonus Issue"). Further, each equity share of face value of Rs. 10 each of the Company has been split into two equity shares of face value of Rs 5 each (the "Split") by capitalizing the Retained earnings of our Company.

(ii) Rights, preferences and restrictions attached to Equity shares

The Company has only one class of equity shares having a par value of Rs.5/- per share[Rs.10/- per share for March 31,2021, March 31, 2020 and March 31, 2019]. Each shareholder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5%of the aggregate shares in the Company

Equity Shares	As at December 31, 2021		As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	Number of Shares	% Holding	Number of Shares	% Holding	Number of Shares	% Holding	Number of Shares	% Holding
Sanjay R Shah	17,952,250	43.36%	448,900	43.43%	448,900	43.43%	448,900	43.43%
Wagner Ltd.	16,562,680	40.00%	412,500	39.91%	412,500	39.91%	412,500	39.91%
Maitry Shah	2,760,000	6.67%	69,000	6.68%	69,000	6.68%	69,000	6.68%
Sakhi Shah	2,760,000	6.67%	69,000	6.68%	69,000	6.68%	69,000	6.68%

(iv) Shareholding of promoter as on December 31,2021

Promoter	No of shares	% of total shares	% change during the year
Sanjay R Shah			
As at December 31,2021	17,952,250	43.36%	-0.07%
As at March 31, 2021	448,900	43.43%	-
As at March 31, 2020	448,900	43.43%	-
As at March 31, 2019	448,900	43.43%	-

(Rs. in Millions)

24	**Instrument entirely equity in nature**	**As at December 31, 2021**	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2019**
	Authorised				
	20,00,000 Preference shares of Rs. 5/- each [March 31, 2021: 10,00,000 , March 31, 2020: 10,00,000 and March 31, 2019: 10,00,000 Preference shares of Rs. 10/- each]	10.00	10.00	10.00	10.00
		10.00	10.00	10.00	10.00
	Issued, subscribed and fully paid up				
	Nil, Non-Cumulative Compulsory Convertible Preference Share (NCCCPS) of Rs. 5/- each fully paid-up [March 31, 2021: 1,567 , March 31, 2020: 1,567 and March 31, 2019: 1,567 Non-Cumulative Compulsory Convertible Preference Share (NCCCPS) of Rs. 10/- each fully paid-up]	-	0.02	0.02	0.02
	Total	-	0.02	0.02	0.02

(i) Reconciliation of number of shares

Preference shares	**Number of Shares**	**Amount**
Balance as at April 01, 2018	-	-
Add: Issue of shares during the year	1,567	0.02
Balance as at March 31, 2019	1,567	0.02
Add: Issue of shares during the year	-	-
Balance as at March 31, 2020	1,567	0.02
Add: Issue of shares during the year	-	-
Balance as at March 31, 2020	1,567	0.02
Add: Issue of shares during the year	-	-
Balance as at March 31, 2021	1,567	0.02
Add : Bonus Shares Issued During the year#	29,773	0.29
Add : Split Share#	31,340	-
Less : Conversion in Equity Shares**	(62,680)	(0.31)
Balance as at December 31, 2021	-	-

Pursuant to the Board resolution dated, July 22, 2021 and Shareholders' resolution dated July 23, 2021, the Company has issued 19 bonus shares of face value Rs. 10 each for every 1 existing fully paid up preference share of face value Rs. 10 each and accordingly 29,773 bonus shares were issued, which were allotted on August 3, 2021 (the "Bonus Issue") by capitalizing the Retained earnings of our Company. Further, each equity share of face value of Rs. 10 each of the Company has been split into two preference shares of face value of Rs 5 each (the "Split").

** 62,680 Equity Shares of Rs. 5 each have been allotted to Wagner Limited as fully paid up pursuant to conversion of Non Cummulative Compulsory Convertible Preference Shares. In accordance with the terms of the shareholders' agreement, the NCCCPS were converted into Equity Shares in the ratio of 1:1 without payment of any additional conversion price. Accordingly, no additional consideration was paid by Wagner Limited at the time of conversion of the CCPS into Equity Shares.

(ii) Rights, preferences and restrictions attached to Preference shares

The Company had outstanding 1,567 - 0.000001 % Non-Cumulative Compulsory Convertible Preference Shares ('NCCCPS') of Rs. 10 each issued at a premium of Rs. 6,027.68 per share. Each holder of preference shares has a right to vote only on resolutions placed before the Company which directly affects the right attached to preference shareholders. The Preference Shares shall be converted into Equity Shares in the ratio of 1:1. Notwithstanding the foregoing, the conversion ratio shall be subject to any adjustments for stock splits, bonus issue or capital reorganisation, any rights issue, preference or option to acquire, or further subscription of Securities of the Company, or otherwise, as the case may be.These NCCCPS have been converted to Equity Shares on November 30, 2021.

(iii) Details of shareholders holding more than 5%of the aggregate shares in the Company

Preference shares	**As at December 31, 2021**		**As at March 31, 2021**		**As at March 31, 2020**		**As at March 31, 2019**	
	Number of Shares	**% Holding**	**Number of Shares**	**% Holding**	**Number of Shares**	**% Holding**	**Number of Shares**	**% Holding**
Wagner Ltd.	-	0.00%	1,567	100.00%	1,567	100.00%	1,567	100.00%

25	**Other equity**	**As at December 31, 2021**	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2019**
(a)	**Securities Premium**				
	Balance as at beginning of the period / year	9.54	9.54	9.54	0.09
	Add: Amount received during the year		-	-	9.45
	Balance as at end of the period / year	9.54	9.54	9.54	9.54
(b)	**General Reserves**				
	Balance as at beginning of the period / year	10.00	10.00	10.00	10.00
	Add: Addition during the year		-	-	-
	Balance as at end of the period / year	10.00	10.00	10.00	10.00
(c)	**Capital Reserves**				
	Balance as at beginning of the period / year	21.45	21.45	0.46	8.65
	Add: Effect of Acquisition of subsidiary		-	20.99	-
	(Less): Effect of sale of a subsidiary		-	-	(8.19)
	Balance as at end of the period / year	21.45	21.45	21.45	0.46

(Rs. in Millions)

(d)	**Retained Earnings**				
	Balance as at beginning of the period / year	**1,525.10**	**1,073.83**	**800.61**	**645.38**
	Add/(Less): Ind AS 116 transition adjustment (Refer Note 4(c))		-	2.67	-
	Add : Net Profit for the year	576.28	452.97	278.53	210.23
	Add : Re-measurement of the defined benefit plans (net of tax)	(1.61)	0.88	(4.87)	(1.44)
	Add : Effect of changes in group's interest	-	-	-	1.14
	(Less): Interim dividend on Equity Shares paid during the year	-	-	-	(42.79)
	(Less): Dividend tax on Interim dividend paid during the year	-	-	-	(8.80)
	Less: Final dividend on Equity Shares paid during the year	-	(2.58)	(2.58)	(2.58)
	Less: Dividend tax on Final dividend paid during the year	-	-	(0.53)	(0.53)
	Less: Dividend @ 0.000001 % on Non-Cumulative Compulsory Convertible Preference Shares ('NCCCPS')	-	*-	*-	-
	Less: Dividend Distribution Tax	-	-	*-	-
	Less: Final dividend on Equity Shares paid during the year	(3.10)	-	-	-
	Less: Utilised for issue of bonus shares	(196.67)	-	-	-
	Balance as at end of the period / year	**1,900.00**	**1,525.10**	**1,073.83**	**800.61**
	Total	**1,940.99**	**1,566.09**	**1,114.82**	**820.61**

Distribution made and proposed Dividend

PARTICULARS	**As at December 31, 2021**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
Cash Dividend on Equity Share declared and paid				
Final Dividend for the year ended March 31, 2021, March 31, 2020 , March 31, 2019 and March 31, 2018 #	3.10	2.58	2.58	2.58
Interim dividend on Equity Shares paid during the year	-	-	-	42.79
Dividend tax on Final dividend paid during the year	-	-	0.53	9.33
	3.10	**2.58**	**3.11**	**54.70**
Proposed Dividend on Equity Shares				
Final Dividend for the year ended March 31, 2021 proposed in the board meeting scheduled on July 22, 2021 at Rs. 3 per Share,(Final Dividend for the previous year was decided Rs. 2.5 per share in the board meeting scheduled on September 30, 2020, Final Dividend for the year ended March 31, 2019 proposed at Rs. 2.5 per share in the board meeting scheduled on August 28, 2019)	-	3.10	2.58	2.58
Dividend Distribution Tax	-	-	-	0.53
	-	**3.10**	**2.58**	**3.11**

*- Figure nullified in conversion of Rs. in Millions

- Dividend paid @ Rs. 3 per share for the year ended March 31, 2021, [Rs. 2.5 per share for the year ended March 31, 2021, Rs. 2.5 per share for the year ended 2020.]

The description of the nature and purpose of each reserve within Other equity is as follows:

(i) Securities Premium

Securities premium is received by the Company on issue of shares at premium. This balance will be utilised in accordance with the provisions of Section 52 of the Act towards issuance of fully paid bonus shares, write-off of preliminary expenses, commission/discount expenses on issue of shares/debentures, premium payable on redemption of redeemable preference shares/debentures and buy back of its own shares/securities under Section 68 of the Act.

(ii) General Reserves

General reserve is a free reserve, retained from the Company's profits and can be utilized upon fulfilling certain conditions in accordance with statute of the relevant Act.

(iii) Capital Reserves

Capital reserve on consolidation was created on account of acquisition of subsidiary companies. The balance in this reserve will get transferred at the time of disposal of the relevant investments.

(iv) Retained Earnings

The amount that can be distributed by the Company as dividend to its equity shareholders is determined based on the financial position and dividend policy of the Company and in compliance with the requirements of the Act.

(Rs. in Millions)

26 Commission and Fees Income	**For the nine months period ended December 31, 2021**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Commission and Fees Income from				
Distribution of Mutual Fund Products	2,713.88	2,312.93	1,955.87	1,956.98
Distribution of Insurance Products	233.69	263.65	170.35	4.03
Stock broking and allied services	151.92	162.94	136.76	162.86
Other Financial and Non-Financial products	41.22	36.06	30.13	29.81
Total	**3,140.71**	**2,775.58**	**2,293.11**	**2,153.68**

(a) Reconciliation of gross revenue with revenue from contracts with customers	**For the nine months period ended December 31, 2021**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Gross revenue (i.e. Contracted Price)	3,140.71	2,775.58	2,293.11	2,153.68
Less: Discounts, rebates, Price Concessions etc.	-	-	-	-
Total	**3,140.71**	**2,775.58**	**2,293.11**	**2,153.68**

Revenue from Geographical Markets	**For the nine months period ended December 31, 2021**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
India	3,140.71	2,775.58	2,293.11	2,153.68
Outside India	-	-	-	-
Total	**3,140.71**	**2,775.58**	**2,293.11**	**2,153.68**

Timing of Recognition of Revenue	**For the nine months period ended December 31, 2021**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Revenue recognised for services provided at point of time	3,140.71	2,775.58	2,293.11	2,153.68
Revenue recognised for services provided over a period of time	-	-	-	-
Total	**3,140.71**	**2,775.58**	**2,293.11**	**2,153.68**

There are external customers having Rs.Nil, Rs. 295.78 Millions, Rs.511.98 Millions and Rs Nil representing 10% or more of the Company's total revenue for the period/year ended December 31, 2021 March 31, 2021, March 31, 2020 and March 31, 2019 respectively

27 Interest Income	**For the nine months period ended December 31, 2021**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Interest on				
Deposits and Margin with Exchange	14.85	16.74	11.53	12.29
Delayed Payments from customers	16.61	16.06	36.05	52.20
Others	0.06	0.23	0.23	0.31
Total	**31.52**	**33.03**	**47.81**	**64.80**

28 Net gain on fair value changes	**For the nine months period ended December 31, 2021**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Net gain/ (loss) on financial instruments at fair value through profit or loss				
Securities held for trading - designated at fair value through profit and loss	39.98	56.46	7.41	1.36
Total	**39.98**	**56.46**	**7.41**	**1.36**
Fair Value changes:				
Realised	36.82	55.26	20.69	2.08
Unrealised	3.16	1.20	(13.28)	(0.72)
Total	**39.98**	**56.46**	**7.41**	**1.36**

29 Other Income	**For the nine months period ended December 31, 2021**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Interest income on financial assets - measured at amortised cost				
- Deposits with Banks	0.43	0.78	0.89	0.31
- Loans to Employees	0.25	0.40	0.46	0.25
- Others	5.34	5.75	2.84	5.79
Profit on sale of Property, Plant and Equipments (net)	0.05	0.51	-	-
Net gain on financial instruments measured at FVTPL	58.84	76.10	8.49	23.72
Dividend Income	0.05	0.02	0.17	-
Miscellaneous Income	2.81	0.33	1.02	0.67
Total	**67.77**	**83.89**	**13.87**	**30.74**

(Rs. in Millions)

30 Employee benefits expense	**For the nine months period ended December 31, 2021**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Salaries, wages and bonus	462.64	526.01	466.66	416.20
Contribution to provident fund and other fund (Refer Note 38)	5.45	6.24	6.28	5.80
Compensated Abscence Expense (Refer Note 38)	5.97	5.00	5.77	2.36
Gratuity Expenses (Refer Note 38)	6.76	9.83	5.73	5.12
Staff welfare expenses	2.27	8.00	4.78	2.15
Total	**483.09**	**555.08**	**489.22**	**431.63**

31 Finance costs	**For the nine months period ended December 31, 2021**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Interest Expense on financial liabilities measured at amortised cost				
Term Loan	8.43	5.75	3.77	19.26
Lease Liabilities (Refer Note : 19)	7.72	9.17	9.32	7.23
Others	0.87	0.50	12.14	0.46
Bank Charges and Other Borrowing Costs	1.89	1.14	1.56	3.90
Total	**18.91**	**16.56**	**26.79**	**30.85**

32 Impairment on Financial Instruments	**For the nine months period ended December 31, 2021**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Impairment of Financial Instruments measured at Amortised Cost:				
Trade Receivables (Refer note : 8)	(0.76)	(1.00)	11.80	(9.82)
Margin with Clearing Member (including others) (Refer Note 51(b))	-	21.39	-	-
Total	**(0.76)**	**20.39**	**11.80**	**(9.82)**

33 Depreciation and amortization expense	**For the nine months period ended December 31, 2021**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Depreciation on Property, Plant & Equipment (Refer Note 13)	19.54	30.20	31.49	42.73
Amortisation on ROU (Refer Note 14)	39.46	48.59	45.65	31.14
Amortization of Intangible assets (Refer Note 15)	27.90	2.40	2.32	2.36
Total	**86.90**	**81.19**	**79.46**	**76.23**

34 Other expenses	**For the nine months period ended December 31, 2021**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Rent	0.52	1.64	3.64	10.06
Business Promotion Expense	45.09	33.60	54.21	27.76
Postage and Communication Expenses	12.84	14.89	15.78	15.52
Electricity expenses	6.28	6.73	8.76	7.87
Office expenses	6.04	6.53	8.26	8.51
Bad Debts	0.08	8.41	9.98	28.76
Provision for Contingencies (Refer note : 16 & 51(a)(ii))	-	(3.42)	3.42	-
Loss on sale of Property, Plant and Equipment	-	-	0.27	0.53
Expenditure on Corporate Social Responsibility (Refer Note : 48)	6.55	10.20	3.72	3.91
Repair and Maintenance				
- Building	1.88	1.99	1.22	1.49
- Others	12.33	10.44	9.96	8.48
Insurance Expenses	4.86	6.38	4.89	3.08
Travelling and Conveyance expenses	10.43	8.20	2.79	12.79
Legal and professional expenses	16.27	12.99	12.39	18.82
Commission and Sitting Fees to Director	4.36	1.80	-	-
Printing and Stationery Expenses	2.12	2.93	4.99	5.62
Rates and taxes	1.68	3.28	1.47	2.37
Membership and subscription	2.80	3.88	2.95	1.97
Auditor's Remuneration (Refer note a)	1.46	2.18	1.79	1.77
Miscellaneous expenses	10.39	7.25	25.43	6.44
Total	**145.98**	**139.90**	**175.92**	**165.75**

(Rs. in Millions)

(a)	**Payment to auditors**				
	As auditor (excluding applicable taxes)				
	Statutory audit fee	1.42	2.11	1.78	1.77
	Certification fees	0.04	0.07	-	-
	Others	-	-	0.01	-
		1.46	**2.18**	**1.79**	**1.77**

35	**Exceptional Item**	**For the nine months period ended December 31, 2021**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
	Provision for diminution in value of investment (refer note (i))	-	-	-	9.02
	Loss on disposal of subsidiary (refer note (ii))	-	-	-	10.16
	Total	**-**	**-**	**-**	**19.18**

Note :- (i) The Group had investment of Rs. 10.00 Millions in Non Convertible Redeemable Preference shares of IL&FS Ltd. During the financial year 2018-19, on account of adverse development in IL&FS Ltd, the management has assessed that it would be prudent to provide for its investment to its market value of Rs. 0.98 Millions. The provision amount of Rs. 9.02 Millions has been recognized as an exceptional item in the Restated Consolidated Statement of Profit and Loss. Subsequently, as there is no positive development, Group has made provision of Rs. 0.84 Millions and Rs. 0.14 Millions in FY 2019-20 and FY 2020-21.

(ii) During the financial year 2018-19, the Group sold the investment in its subsidiary Prudent Fintrade Private Limited at a sale consideration of Rs 0.10 Millions. The resultant loss on sale of such investment has been disclosed as an exceptional item.

(Rs. in Millions)

36	**Income tax expense**	**For the nine months period ended December 31, 2021**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
(i)	**Income tax expense recognised in Statement of Profit and Loss and OCI:**				
A	**Income tax expense recognised in Statement of Profit and loss:**				
	Current tax				
	In respect of current period / year	175.76	157.22	108.63	98.10
	In respect of earlier period / year	-	(0.33)	1.30	(0.54)
		175.76	**156.89**	**109.93**	**97.56**
	Deferred tax				
	In respect of current period / year	24.88	(4.62)	(14.12)	(21.22)
		24.88	**(4.62)**	**(14.12)**	**(21.22)**
	Total Tax expense debited to restated consolidated statement of Profit and Loss	**200.64**	**152.27**	**95.81**	**76.34**
B	**Income tax expense recognised in OCI:**				
	Deferred tax				
	In respect of current period / year	0.55	(0.30)	1.25	0.59
		0.55	**(0.30)**	**1.25**	**0.59**

Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ("Ordinance") issued by the Ministry of Law and Justice (Legislative Department) on September 20, 2019, effective from April 01, 2019, domestic companies have the option to pay Corporate income tax rate at 22% plus applicable surcharge and cess ("New tax rate") subject to certain conditions.In the previous year, based on the assessment done, all companies in the Group have chosen to exercise the option of New tax rate. Accordingly, all companies in the Group made the provision for current tax and deferred tax at the rate of 25.17% including applicable Surcharge and Cess.

(ii) Reconciliation of tax expense and the accounting profit

The major components of tax expense and the reconciliation of the expected tax expense based on the effective tax rate of the group at December 31, 2021 25.17% (March 31, 2021 25.17% March 31, 2020: 25.17% and March 2019 :- 29.12 %) and the reported tax expense in profit or loss are as follows:

Particulars	**For the nine months period ended December 31, 2021**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Profit before tax	**776.92**	**605.24**	**374.34**	**305.71**
Tax Rate applied	25.17%	25.17%	25.17%	29.12%
Income tax expense calculated at the applicable tax rate on Profit before tax	**195.54**	**152.34**	**94.22**	**89.02**
Adjustment in Tax due to the following (tax benefit)/tax expenses			-	
Expenses not deductible for tax purpose (net)	2.29	2.74	0.24	5.62
Income Chargeable at Different tax rate	(5.14)	(0.64)	(1.21)	0.00
Effects of unused tax losses and unabsorbed depreciation not recognised as deferred tax	-	(3.22)	(2.07)	(11.47)
Adjustment in respect to previous years	(0.41)	(0.33)	1.30	(0.53)
Others	8.36	1.38	3.33	(6.30)
Tax expenses recognised during the period / year	**200.64**	**152.27**	**95.81**	**76.34**
Effective Tax Rate	**25.83%**	**25.16%**	**25.59%**	**24.97%**

(iii) Deferred tax

Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences.
Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of deductible temporary differences.

Component of Deferred tax liabilities/assets are as follows:

Break up of Deferred tax (liabilities)/assets	**As at December 31, 2021**	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2019**
Deferred tax Assets	15.04	35.72	31.41	16.88
Deferred tax Liabilities	(3.66)	(0.01)	(0.01)	(0.01)
Net Deferred Tax (liabilities)/assets	**11.38**	**35.71**	**31.40**	**16.87**

Break up of Deferred tax (liabilities)/assets	**As at April 01, 2021**	**Recognised in Statement of profit and Loss**	**Recognised in OCI**	**As at December 31, 2021**
Deferred Tax Assets (A)				
Property, Plant and Equipment	6.96	(23.32)	-	**(16.36)**
Employee Benefit Obligations	14.31	2.71	0.55	**17.57**
Fair valuation of Financial Instruments	0.55	(3.07)	-	**(2.52)**
Impact on account of Right of Use and Lease Liability	2.12	(1.58)	-	**0.54**
Impairment of Financial Assets	12.86	(0.38)	-	**12.48**
Others	(1.07)	0.76	-	**(0.31)**
Total (A)	**35.72**	**(24.88)**	**0.55**	**11.39**
Deferred Tax Liabilities (B)				
Property, Plant and Equipment	(0.01)	-	-	**(0.01)**
Total (Net) (A+B)	**35.71**	**(24.88)**	**0.55**	**11.38**

(Rs. in Millions)

Break up of Deferred tax (liabilities)/assets	As at April 01, 2020	Recognised in Statement of profit and Loss	Recognised in OCI	As at March 31, 2021
Deferred Tax Assets (A)				
Property, Plant and Equipment	6.55	0.41	-	**6.96**
Employee Benefit Obligations	11.30	3.31	(0.30)	**14.31**
Fair valuation of Financial Instruments	4.61	(4.06)	-	**0.55**
Impact on account of Right of Use and Lease Liability	0.64	1.48	-	**2.12**
Impairment of Financial Assets	8.01	4.85	-	**12.86**
Others	0.31	(1.38)	-	**(1.07)**
Total (A)	**31.41**	**4.62**	**(0.30)**	**35.72**
Deferred Tax Liabilities (B)				
Property, Plant and Equipment	(0.01)	-	-	**(0.01)**
Total (Net) (A+B)	**31.40**	**4.62**	**(0.30)**	**35.71**

Break up of Deferred tax (liabilities)/assets	As at April 01, 2019 *	Recognised in Statement of profit and Loss	Recognised in OCI	As at March 31, 2020
Deferred Tax Assets (A)				
Property, Plant and Equipment	5.19	1.36	-	6.55
Employee Benefit Obligations	8.40	1.65	1.25	11.30
Fair valuation of Financial Instruments	0.26	4.35	-	4.61
Impact on account of Right of Use and Lease Liability	-	0.64	-	0.64
Impairment of Financial Assets	2.09	5.92	-	8.01
Others	(0.00)	0.20	-	0.31
Total (A)	**15.93**	**14.12**	**1.25**	**31.41**
Deferred Tax Liabilities (B)				
Property, Plant and Equipment	(0.01)	-	-	(0.01)
Total (Net) (A+B)	**15.92**	**14.12**	**1.25**	**31.40**

* Difference in Deferred Tax from March 31, 2019 and April 1, 2019 is on account of restatement adjustment due to Ind AS 116 (Refer Note 4(c))

Break up of Deferred tax (liabilities)/assets	As at April 01, 2018	Recognised in Statement of profit and Loss	Recognised in OCI	As at March 31, 2019
Deferred Tax Assets (A)				
Property, Plant and Equipment	1.61	3.57	-	5.19
Employee Benefit Obligations	-	7.81	0.59	8.40
Fair valuation of Financial Instruments	(11.48)	11.73	-	0.26
Impact on account of Right of Use and Lease Liability	-	0.95	-	0.95
Impairment of Financial Assets	4.93	(2.84)	-	2.09
Others	(0.00)	-	-	(0.00)
Total (A)	**(4.94)**	**21.23**	**0.59**	**16.88**
Deferred Tax Liabilities (B)				
Property, Plant and Equipment	-	(0.01)	-	(0.01)
Total (Net) (A+B)	**(4.94)**	**21.22**	**0.59**	**16.87**

The following table provides the details of income tax assets and income tax liabilities as of December 31, 2021 , March 31, 2021, March 31, 2020 and March 31, 2019:

Balancesheet Section	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Current tax assets (net)	10.09	7.54	7.66	6.77
Current tax liabilities (net)	4.55	12.41	2.74	3.55
Net current tax assets/ (liability)	**5.54**	**(4.87)**	**4.92**	**3.22**

There are certain income-tax related legal proceedings which are pending against the Group. Potential liabilities, if any have been adequately provided for, and the Group does not currently estimate any probable material incremental tax liabilities in respect of these matters. Refer Note 51

37 Earning per share (EPS)	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Net Profit / (Loss) after tax for calculation of basic EPS	576.28	452.97	278.53	210.23
Weighted average number of equity shares for calculating Basic EPS*	41,351,294	41,344,000	41,344,000	41,344,000
Weighted average number of equity shares and Preference Shares for Diluted EPS*	41,351,294	41,406,680	41,406,680	41,406,680
Nominal value per share (in Rupees)*	5.00	5.00	5.00	5.00
Basic Earning Per Share (in Rupees)	13.94	10.96	6.74	5.08
Diluted Earning Per Share (in Rupees)	13.94	10.94	6.73	5.08

*Pursuant to the Board resolution dated, July 22, 2021 and Shareholders' resolution dated July 23, 2021, the Company has issued 19 bonus shares of face value INR 10 each for every 1 existing fully paid up equity share and preference share of face value INR 10 each and accordingly 1,96,68,173 bonus shares were issued, which were allotted on August 3, 2021 (the "Bonus Issue"). Further, pursuant to the resolution of the Board of Directors dated July 22, 2021 and shareholders' resolution dated July 23, 2021, each equity share and preference share of face value of INR 10 each of the Company has been split into two equity shares and two preference shares of face value of INR Rs 5 each (the "Split"). As required under Ind AS 33 "Earnings per share" the effect of such Split and Bonus Issue are required to be adjusted for the purpose of computing earnings per share for all the periods presented retrospectively. As a result, the effect of the Split and the Bonus Issue have been considered in these Restated Consolidated Financial Information for the purpose of calculation of earnings per share.

Further, 62,680 Equity shares of Rs. 5 Each have been alloted to Wagner Limited on November 30, 2021 as fully paid up pursuant to conversion of Non Cummulative Compulsorily Convertible Preference Shares (NCCCPS). As required under Ind AS 33 "Earnings per share", the effect of such conversion is required to be adjusted for the purpose of computing earnings per share prospectively.

(Rs. in Millions)

38 Detail of Employees Benefits

(a) Defined Contribution Plans

The Group has defined contribution plan in form of Provident Fund and Employee State Insurance Scheme for qualifying employees. Under the Schemes, the Group is required to contribute a specified rates to fund the schemes.

	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Provident Fund	3.98	4.20	3.74	2.84
Employee State Insurance Scheme	1.47	2.04	2.54	2.96
Total	**5.45**	**6.24**	**6.28**	**5.80**

(b) Defined Benefits Plans

The Group provides for retirement benefits in the form of Gratuity. The Group's gratuity scheme (unfunded) provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service subject to a ceiling of Rs. 2.00 Millions Vesting occurs upon completion of 5 years of service.

The present value of the defined benefits plan was measured using the projected unit credit method.

The following tables set out the status of the gratuity plan and amounts recognised in the Restated Consolidated Financial Information:

(i) **Present value of defined benefit obligation**	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Balance at the beginning of the period / year	**42.35**	**35.23**	**22.99**	**17.11**
Current service cost	4.58	5.97	4.29	3.74
Interest Cost	2.18	2.51	1.90	1.38
Liability Transferred In	-	3.18	-	0.11
(Liability Transferred Out)	-	(1.83)	-	-
Remeasurement (gain)/loss:	-	-	-	-
Actuarial (gain)/Loss arising from demographic assumptions	(0.03)	0.04	(0.16)	(1.23)
Actuarial (gain)/loss arising from experience adjustments	3.40	(0.02)	4.48	0.28
Actuarial (gain)/loss arising from changes in assumptions	(1.21)	(1.20)	1.80	2.98
Benefits paid	(1.00)	(1.53)	(0.95)	(1.38)
Past service cost	-	-	0.89	-
Balance at the end of the period / year	**50.27**	**42.35**	**35.23**	**22.99**
(ii) **Liability recognised in the Balance Sheet**				
Liability recognised in the Balance Sheet	50.27	42.35	35.23	22.99
(iii) **Cost of the defined benefit plan for the period / year**				
Current service cost	4.58	5.97	4.29	3.74
Interest cost	2.18	2.51	1.90	1.38
Past service cost	-	-	0.89	-
Expense recognised in the Statement of Profit and Loss	**6.76**	**8.49**	**7.07**	**5.12**
Remeasurement on the net defined benefit liability:				
Actuarial (gain)/Loss arising from demographic assumptions	(0.03)	0.04	(0.16)	(1.23)
Actuarial (gain)/loss arising from experience adjustments	3.40	(0.02)	4.48	0.28
Actuarial (gain)/loss arising from changes in assumptions	(1.21)	(1.20)	1.80	2.98
Recognised in the Other Comprehensive Income	**2.16**	**(1.18)**	**6.12**	**2.03**
Total cost of the defined benefit plan for the period / year	**8.92**	**7.30**	**13.19**	**7.15**
(iv) **Experience Adjustment**				
Defined benefit obligation at the end of period / Year	50.27	42.35	35.23	22.99
Plan Assets at the end of period / year	-	-	-	-
Net Obligation at the end of period / year	**(50.27)**	**(42.35)**	**(35.23)**	**(22.99)**
Experience adjustment on plan liabilities-Gain/(Loss)	(3.40)	(0.02)	4.48	0.28
Actuarial Gain/(Loss) due to changes in assumptions	1.21	(1.16)	1.64	1.75

(Rs. in Millions)

(v) **Principal actuarial assumptions:**

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate, the salary growth rate and the average life expectancy. The assumptions used for the valuation of the defined benefit obligation are as follows:

	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Discount rate (p.a.)	7.04% to 7.13%	6.50% to 7.00%	6.5% to 8.0%	7.77% to 7.89%
Expected rate of salary increase (p.a.)	6%	6%	6%	6%
Mortality	IALM (2012-14) Urban	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
Rate of employees turnover (p.a.)				
For Service 4 years and Below	15% to 25%	15% to 25%	15% to 30%	6%
For Service 5 years and Above	2%	2%	2%	2%
Retirement age	58 years	58 years	58 years	58 years

Estimates of future salary increase takes into account: inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plan exposes the Group to significant actuarial risks such as interest rate risk and inflation risk:

Inflation risk – A significant proportion of the defined benefit liability is linked to inflation. An increase in the inflation rate will increase the Group's liability.

Interest rate risk – The present value of the defined benefit liability is calculated using a discount rate prevailing market yields of Indian government securities. A decrease in discount rate will increase the Group's defined benefit liability.

(vi) Sensitivity analysis in respect of the actuarial assumptions used in calculation of defined benefit obligation is given below:

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Projected Benefit Obligation on Current Assumptions	50.27	42.35	36.58	22.99
Delta Effect of +1% Change in Rate of Discounting	(6.18)	(5.49)	(4.86)	(3.03)
Delta Effect of -1% Change in Rate of Discounting	7.42	6.63	5.89	3.67
Delta Effect of +1% Change in Rate of Salary Increase	6.62	6.10	5.47	3.54
Delta Effect of -1% Change in Rate of Salary Increase	(5.76)	(5.31)	(4.76)	(3.06)
Delta Effect of +1% Change in Rate of Employee Turnover	0.68	0.48	0.43	0.57
Delta Effect of -1% Change in Rate of Employee Turnover	(0.86)	(0.57)	(0.51)	(0.67)

Sensitivities have been calculated to show the movement in Defined Benefit Obligation in isolation and assuming there are no other changes in market conditions at the accounting date. In presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(vii) The weighted average duration of the benefit obligation as at December 31, 2021 is 16 years (as at March 31, 2021 is 16 years ,as at March 31, 2020: 17 years and as at March 31, 2019: 19 year)

(viii) **Maturity profile of defined benefit plan**

The followings are the expected future benefit payments for the defined benefit plan :

	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Within the next 12 months	1.25	1.08	0.90	0.56
Between 2 to 5 years	7.73	4.75	4.12	2.80
Beyond 5 years	144.85	126.24	112.05	83.88
Total expected payments	**153.83**	**132.07**	**117.07**	**87.24**

(c) **Compensated absence:**

The employees are entitled for leave for each year of service and part thereof, subject to the limits specified, the unavailed portion of such leaves can be accumulated or encashed during/at the end of the service period up to a maximum of 63 days. The plan is unfunded.

Expenses recognised in the Statement of Profit and Loss amounts to Rs 5.97 Millions for December 2021 (March 2021: Rs. 5.00 Millions, March 31, 2020: Rs. 5.77 Millions and March 31, 2020: Rs. 2.36 Millions)

The current and non-current classification of obligations under defined benefit plans and other long-term benefits is done bases on the actuarial valuation reports.

(Rs. in Millions)

39 Related Party Disclosures

Relationship	Name of Party
Director/Key Management Personnel	Mr. Sanjay R Shah - Managing Director Mr. Munjal Mehta (till 2nd July 2018) Mrs. Niketa S. Shah (till 24th September 2018) Mr. Ramesh C. Shah (till 31st July 2018) Mr. Shirish Patel - Director and CEO (W.e.f. 31st July 2018) Mr. Chirag Ashwinkumar Shah - Director (W.e.f. 24th Sept., 2018) Mr. Deepak Sood - Independent Director (W.e.f 23rd October 2020) Mr. Karan Datta - Independent Director (W.e.f. 23rd October 2020) Mr. Dhiraj Poddar- Nominee Director (W.e.f. 13th July 2018) Mr. Aditya Sharma - Nominee Director (W.e.f 13th July, 2018 to30th April, 2021) Mr. Aniket Talati - Independent Director (w.e.f 7th June 2021) Mrs. Shilpi Thapar - Independent Director (w.e.f 7th June 2021) Mr. Chirag Kothari - Chief Financal Officer (w.e.f 22nd July 2021) Mr. Dhaval Ghetia - Company Secretary (w.e.f 22nd July 2021)
Relative of Director / Key Management Personnel	Mrs. Niketa S. Shah (w.e.f. 25th September 2018) Mr. Ramesh C. Shah Ms. Maitry Sanjay Shah Ms. Sakhi Sanjay Shah Mr. Harshida Shirish Patel Mrs. Prapti Mehta
Enterprises over which Key Management personnel having control or significant influence (With whom transactions have taken place)	Ramesh C Shah HUF Sanjay R Shah HUF
Enterprise having significant influence on Company	Wagner Limited (w.e.f. 13th July 2018)

(b) Transactions with the Related Parties

Particulars / Name of Related Party	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Transaction with Director / Key Managerial Personnel				
Salary expense	**46.62**	**70.40**	**70.19**	**65.21**
Mr. Sanjay Shah	14.51	9.00	19.35	17.96
Mr Shirish Patel	24.50	53.46	44.55	46.50
Mr. Chirag Shah	5.85	7.94	6.29	-
Mrs. Niketa Shah	-	-	-	0.75
Mr. Chirag Kothari	1.53	-	-	-
Mr. Dhaval Ghetia	0.23	-	-	-
Rent expense	**0.41**	**0.42**	**0.54**	**0.99**
Mr. Sanjay Shah	0.41	0.42	0.54	0.45
Mrs. Niketa Shah	-	-	-	0.54
Consideration against Purchase of Shares	-	-	**6.12**	**35.44**
Mr. Chirag Shah	-	-	6.12	-
Mr. Sanjay Shah	-	-	-	2.25
Mrs. Niketa Shah	-	-	-	33.00
Mr. Munjal Mehta	-	-	-	0.19
Final Dividend on Equity Shares	**1.45**	**1.20**	**1.20**	**1.20**
Mr. Sanjay Shah	1.35	1.12	1.12	1.12
Mr Shirish Patel	0.10	0.08	0.08	0.08
Interim Dividend on Equity Shares	-	-	-	**30.66**
Mr. Sanjay Shah	-	-	-	18.58
Mrs. Niketa Shah	-	-	-	11.01
Mr Shirish Patel	-	-	-	1.07
Sitting Fees - Board Meetings	**1.59**	**0.30**	-	-
Mr. Deepak Sood	0.38	0.15	-	-
Mr. Karan Datta	0.38	0.15	-	-
Ms. Shilpi Thapar	0.30	-	-	-
Mr. Aniket Talati	0.53	-	-	-
Fixed Commission Expense	**2.79**	**1.50**	-	-
Mr. Karan Datta	1.13	0.75	-	-
Mr. Deepak Sood	1.13	0.75	-	-
Ms. Shilpi Thapar	0.35	-	-	-
Mr. Aniket Talati	0.18	-	-	-
Brokerage, Demat and Other Income	*-	**0.02**	*-	**0.01**
Mr. Sanjay Shah	-	0.02	*-	0.01
Mr Shirish Patel	*-	*-	-	-
Mr. Chirag Shah	*-	*-	-	-
Loan Taken	**770.00**	-	-	-
Mr Sanjay Shah	770.00	-	-	-
Loan Repaid	**440.00**	-	-	-
Mr Sanjay Shah	440.00	-	-	-
Interest Expense	**8.44**	-	-	-
Mr Sanjay Shah	8.44	-	-	-
Reimbursment of Expense	**0.01**	-	-	-
Mr. Chirag Kothari	0.01	-	-	-
Transaction with Relative of Director/Key Managerial Personnel				
Final Dividend paid on Equity Shares	**0.42**	**0.35**	**0.35**	**0.35**
Mr. Ramesh Shah	*-	0.01	0.01	0.01
Ms. Maitry Shah	0.21	0.17	0.17	0.17
Ms. Sakhi Shah	0.21	0.17	0.17	0.17
Interim Dividend on Equity Shares	-	-	-	**11.06**
Mr. Ramesh Shah	-	-	-	5.34
Ms. Maitry Shah	-	-	-	2.86
Ms. Sakhi Shah	-	-	-	2.86

(Rs. in Millions)

Particulars / Name of Related Party	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Consideration against Purchase of Shares	**-**	**-**	**16.54**	**0.19**
Ms. Maitry Shah	-	-	10.42	-
Mrs. Harshida Patel	-	-	6.12	-
Mrs. Prapti Mehta	-	-	-	0.19
Rent expense	**0.41**	**0.42**	**0.54**	**0.43**
Mrs. Niketa Shah	0.41	0.42	0.54	0.43
Salary expense	**0.23**	**0.30**	**0.30**	**0.98**
Ms. Maitry Shah	0.23	0.30	0.30	0.16
Mr. Ramesh Shah	-	-	-	0.15
Mrs. Prapti Mehta	-	-	-	0.67
Sale of Bonds	**-**	**0.63**	**-**	**-**
Ms. Sakhi Shah	-	0.63	-	-
Brokerage, Demat and Other Income	*-	**0.01**	**0.02**	**0.02**
Mrs. Niketa Shah	*-	0.01	0.02	0.02
Enterprises over which Director/Key Management personnel having control				
Sales of Bond	**-**	**0.62**	**-**	**-**
Ramesh C Shah HUF	-	0.62	-	-
Brokerage, Demat and Other Income	**0.02**	**0.03**	**0.03**	**0.02**
Sanjay R Shah HUF	0.02	0.03	0.03	0.02
Transaction with Enterprise having significant influence in the Company				
Final Dividend on Equity Shares	**1.24**	**1.03**	**1.03**	**1.03**
Wagner Limited	1.24	1.03	1.03	1.03
Issuance of Compulsory Convertible Preference Shares Including Securities Premium	-	-	-	**9.46**
Wagner Limited	**-**	**-**	**-**	9.46
Allotment of Equity Shares on Conversion of Non Cummulative Compulsory Convertible Preference Shares	**0.31**	-	-	-
Wagner Limited	0.31	-	-	-
Outstanding Balances				
Outstanding with Director / Key Managerial Personnel				
Salary Payable	**3.47**	**15.89**	**15.39**	**9.70**
Mr. Sanjay Shah	1.06	0.02	2.99	-
Mr. Shirish Patel	1.71	13.68	10.63	9.70
Mr. Chirag Shah	0.45	2.19	1.77	-
Mr. Chirag Kothari	0.21			
Mr. Dhaval Ghetia	0.04			
Fixed Commission Payable	**0.89**	**0.72**	**-**	**-**
Mr. Deepak Sood	0.34	0.36	-	-
Mr. Karan Datta	0.34	0.36	-	-
Ms. Shilpi Thapar	0.14			
Mr. Aniket Talati	0.07			
Trade Payable	**0.06**	**0.32**	**-**	**-**
Mr. Sanjay Shah	-	0.26	-	-
Mr. Shirish Patel	-	0.01	-	-
Mr. Chirag Shah	0.06	0.05	-	-
Loan Repayable	**330.00**			
Mr Sanjay Shah	330.00			
Outstanding with relative of Director / Key Managerial Personnel				
Salary Payable	**0.03**	**0.03**	**0.03**	**0.03**
Ms. Maitry Shah	0.03	0.03	0.03	0.03
Trade Payable	**-**	**0.38**	**-**	**-**
Mrs. Niketa Shah	-	0.38	-	-

Particulars	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Short Term Employee Benifit Expenses				
Salary to KMP	46.62	70.40	70.19	65.21
Salary to Relative of KMP	0.23	0.30	0.30	0.98
Total compensation paid to key management personnel	**46.85**	**70.70**	**70.49**	**66.19**

Note:

Proposed IPO Expense Recoverable (Refer Note :10) : As per the arrangement with Wagner Limited and Mr Shirish Patel ("Selling Shareholders"), these expenses of Rs. 34.18 million shall be recoverd from the selling shareholders

Terms and conditions of transactions with related parties

All related party transactions entered during the year were in ordinary course of the business and on arms length basis. Outstanding balances at the year end are unsecured and settlement occurs in cash. No guarantees were given or received by the Group.

As the liabilities for defined benefit obligations and compensated absences are provided based on actuarial valuation for the group as a whole, the amount pertaining to Key Management Personnel has not been included.

Summary of Related Party Transaction eliminated at the time of consolidation

The details of the transactions and balances eliminated at the time of consolidation in accordance with Ind AS 110 are disclosed below as per Ind AS 24 read with ICDR Regulations during the period ended December 31, 2021 and year ended , March 31, 2021 , March 31, 2020 and March 31, 2019.

(Rs. in Millions)

(i) Prudent Corporate Advisory Services Limited

Name of Related Party	Nature of Transactions	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Prudent Broking Services Private Limited	**Transactions**				
	Referal Charges Expense	-	0.13	-	-
	Demat Charges Expense	0.04	0.06	-	-
	Rent Income	0.61	0.67	0.74	0.69
	Interest Income	0.04	0.19	1.49	2.53
	Loan Given to subsidiary	115.00	223.50	857.00	1,177.05
	Repayment of Loan given to Subsidiary	115.00	223.50	857.00	1,177.05
	Employee benefit transfer in	-	0.51	-	-
	Sale of Assets	-	*-	-	-
	Sale of Bonds	4.15	-	-	-
	Advance paid against purchase of Bond	-	4.15	-	-
	Balances				
	Rent Deposit Received	0.11	0.11	0.11	0.11
	Employee benefit transfer in	-	0.51	-	-
	Interest Receivable	-	-	-	-
	Advance paid against purchase of Bond	-	4.15	-	-
Gennext Insurance Brokers Private Limited	**Transactions**				
	Employee benefit transfer Out	-	0.74	-	-
	Balances				
	Employee benefit transfer Out	-	0.74	-	-
Prutech Financial Services Private Limited	**Transactions**				
	Sale of Bonds	-	4.14	-	-

(i) Prudent Broking Services Private Limited

Name of Related Party	Nature of Transactions	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Gennext Insurance Brokers Private Limited	**Transaction**				
	Employee benefit transfer Out	-	0.58	-	-
	Fee income	-			
	Balances				
	Employee benefit transfer Out	-	0.58	-	-

*- Figure nullified in conversion of Rs. in Millions

40 Details on list of Investments in Subsidiaries as per Ind AS 27

Particulars	Proportion of ownership interest			
	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Investment in Subsidiaries				
Prudent Broking Services Private Limited	100%	100%	100%	100%
Prutech Financial Services Private Limited	100%	100%	100%	100%
Gennext Insurance Brokers Private Limited	100%	100%	100%	0%

All companies are incorporated and having primary place of business is in India .

(Rs. in Millions)

41 Maturity Analysis of Assets and Liabilities

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

Particulars	**As at December 31, 2021**			**As at March 31, 2021**			**As at March 31, 2020**			**As at March 31, 2019**		
	Within 12 months	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
ASSETS												
I Financial assets												
(a) Cash and Cash equivalents	321.90	-	321.90	993.32	-	993.32	806.39	-	806.39	542.15	-	542.15
(b) Bank Balances other than (a) above	175.53	31.97	207.50	331.28	67.50	398.78	156.63	9.98	166.61	115.64	2.00	117.64
(c) Securities for trade	63.86	-	63.86	131.20	-	131.20	39.60	-	39.60	14.97	-	14.97
(d) Trade receivables	876.44	-	876.44	683.12	-	683.12	394.71	-	394.71	776.02	-	776.02
(e) Loans	2.79	2.47	5.26	3.97	1.09	5.06	6.40	2.76	9.16	3.24	2.25	5.49
(f) Investments	141.99	184.13	326.12	122.24	83.63	205.87	33.99	27.96	61.95	12.09	59.87	71.96
(g) Other financial assets	64.40	51.65	116.05	102.92	-	102.92	96.09	50.37	146.46	118.41	8.97	127.38
Total Financial Assets	**1,646.91**	**270.22**	**1,917.13**	**2,368.05**	**152.22**	**2,520.27**	**1,533.81**	**91.07**	**1,624.88**	**1,582.52**	**73.09**	**1,655.61**
II Non-Financial assets											-	
(a) Current Tax Asset (net)	-	10.09	10.09	-	7.54	7.54	-	7.66	7.66	-	6.77	6.77
(b) Deferred Tax Assets	3.65	11.39	15.04	-	35.72	35.72	-	31.41	31.41	-	16.88	16.88
(c) Property, Plant and Equipment	-	161.52	161.52	-	166.47	166.47	-	179.26	179.26	0.00	168.99	168.99
(d) Right-of-use assets	-	122.35	122.35	-	93.31	93.31	-	91.44	91.44	-	68.81	68.81
(e) Intangible assets	-	1,486.78	1,486.78	-	4.31	4.31	-	4.00	4.00	-	5.13	5.13
(f) Other non-financial assets	159.99	0.50	160.49	19.06	2.62	21.68	19.61	2.49	22.10	8.02	1.94	9.96
Total Non-Financial Assets	**163.64**	**1,792.63**	**1,956.27**	**19.06**	**309.97**	**329.03**	**19.61**	**316.26**	**335.87**	**8.02**	**268.52**	**276.54**
Total Assets	**1,810.55**	**2,062.85**	**3,873.40**	**2,387.11**	**462.19**	**2,849.30**	**1,553.42**	**407.33**	**1,960.75**	**1,590.54**	**341.61**	**1,932.15**
LIABILITIES AND EQUITY												
Liabilities												
I Financial Liabilities												
(a) Trade payables												
(a) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,135.83	-	1,135.83	939.35	-	939.35	520.22	-	520.22	695.44	-	695.44
(b) Borrowings	330.02	-	330.02	26.10	-	26.10	76.65	0.91	77.56	226.82	1.90	228.72
(c) Lease liabilities	48.42	79.23	127.65	49.05	50.86	99.91	89.01	5.33	94.34	67.71	4.33	72.03
(d) Other financial liabilities	31.67	-	31.67	25.23	-	25.23	12.80	-	12.80	3.44	-	3.44
Total Financial Liabilities	**1,545.94**	**79.23**	**1,625.17**	**1,039.73**	**50.86**	**1,090.59**	**698.68**	**6.24**	**704.92**	**993.41**	**6.23**	**999.63**
II Non-Financial Liabilities											-	
(a) Current Tax Liability (net)	4.55	-	4.55	12.41	-	12.41	2.74	-	2.74	3.55	-	3.55
(b) Provisions	3.53	66.82	70.35	2.62	54.67	57.29	2.24	44.97	47.21	-	29.50	29.50
(c) Other non-financial liabilities	21.58	0.07	21.65	112.55	-	112.55	80.69	-	80.69	68.49	-	68.49
(d) Deferred tax liability	-	3.66	3.66	-	0.01	0.01	-	0.01	0.01	-	0.01	0.01
Total Non-Financial Liabilities	**29.66**	**70.55**	**100.21**	**127.58**	**54.68**	**182.26**	**85.67**	**44.98**	**130.65**	**72.04**	**29.51**	**101.55**
III Equity												
(a) Equity Share capital	-	207.03	207.03	-	10.34	10.34	-	10.34	10.34	-	10.34	10.34
(b) Instrument entirely equity in nature	-	-	-	-	0.02	0.02		0.02	0.02		0.02	0.02
(c) Other equity	-	1,940.99	1,940.99	-	1,566.09	1,566.09	-	1,114.82	1,114.82	-	820.61	820.61
Total Equity	**-**	**2,148.02**	**2,148.02**	**-**	**1,576.45**	**1,576.45**	**-**	**1,125.18**	**1,125.18**	**-**	**830.97**	**830.97**
Total Liabilities and Equity	**1,575.60**	**2,297.80**	**3,873.40**	**1,167.32**	**1,681.98**	**2,849.30**	**784.35**	**1,176.40**	**1,960.75**	**1,065.45**	**866.70**	**1,932.15**

(Rs. in Millions)

42 Financial Instruments

(i) Capital Management

The Group's objective for capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor and customer confidence, to ensure future development of its business and remain going concern. The Group is focused on keeping strong capital base to ensure independence and sustained growth in business. The Group determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented in the balance sheet. The funding requirements are predominately met through equity and revenue generated from operations.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell non-core assets to reduce the debt.

Particulars	As at December 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Debt	330.02	26.10	77.56	228.72
Equity	2,148.02	1,576.45	1,125.18	830.97
Debt to Equity Ratio	**0.15**	**0.02**	**0.07**	**0.28**

Lease liability arising on account of implementation of Ind AS 116 is not considered in the above working, as it is a liability.

No changes were made in the objectives, policies or processes for managing capital during the current period and previous years.

(ii) Category-wise financial instruments:

The accounting classification of each category of financial instruments and their carrying amounts are set out below:

Financial Assets as at December 31, 2021	Amortised Cost	FVTOCI	FVTPL	Total carrying value	Total fair value
Cash and Cash equivalents	321.90	-	-	**321.90**	**321.90**
Bank Balances other than above	207.50	-	-	**207.50**	**207.50**
Securities for trade	-	-	63.86	**63.86**	**63.86**
Trade receivables	876.44	-	-	**876.44**	**876.44**
Loans	5.26	-	-	**5.26**	**5.26**
Investments	4.19	-	321.93	**326.12**	**326.19**
Other financial assets	116.05	-	-	**116.05**	**116.05**
Total	**1,531.34**	**-**	**385.79**	**1,917.13**	**1,917.20**
Financial Liabilities as at December 31, 2021					
Trade payables	1,135.83	-	-	**1,135.83**	**1,135.83**
Borrowings	330.02	-	-	**330.02**	**330.02**
Lease liabilities	127.65	-	-	**127.65**	**127.65**
Other financial liabilities	31.67	-	-	**31.67**	**31.67**
Total	**1,625.17**	**-**	**-**	**1,625.17**	**1,625.17**

Financial Assets as at March 31, 2021	Amortised Cost	FVTOCI	FVTPL	Total carrying value	Total fair value
Cash and Cash equivalents	993.32	-	-	**993.32**	**993.32**
Bank Balances other than above	398.78	-	-	**398.78**	**398.78**
Securities for trade	0.00	-	131.20	**131.20**	**131.20**
Trade receivables	683.12	-	-	**683.12**	**683.12**
Loans	5.06	-	-	**5.06**	**5.06**
Investments	7.53	-	198.34	**205.87**	**205.86**
Other financial assets	102.92	-	-	**102.92**	**102.92**
Total	**2,190.73**	**-**	**329.54**	**2,520.27**	**2,520.26**
Financial Liabilities as at March 31, 2021					
Trade payables	939.35	-	-	**939.35**	**939.35**
Borrowings	26.10	-	-	**26.10**	**26.10**
Lease liabilities	99.91	-	-	**99.91**	**99.91**
Other financial liabilities	25.23	-	-	**25.23**	**25.23**
Total	**1,090.59**	**-**	**-**	**1,090.59**	**1,090.59**

(Rs. in Millions)

Financial Assets as at March 31, 2020	Amortised Cost	FVTOCI	FVTPL	Total carrying value	Total fair value
Cash and Cash equivalents	806.39	-	-	**806.39**	**806.39**
Bank Balances other than above	166.61	-	-	**166.61**	**166.61**
Securities for trade	0.00	-	39.60	**39.60**	**39.60**
Trade receivables	394.71	-	-	**394.71**	**394.71**
Loans	9.16	-	-	**9.16**	**9.16**
Investments	3.51	-	58.44	**61.95**	**61.92**
Other financial assets	146.46	-	-	**146.46**	**146.46**
Total	**1,526.84**	**-**	**98.04**	**1,624.88**	**1,624.85**
Financial Liabilities as at March 31, 2020					
Trade payables	520.22	-	-	**520.22**	**520.22**
Borrowings	77.56	-	-	**77.56**	**77.56**
Lease liabilities	94.34	-	-	**94.34**	**94.34**
Other financial liabilities	12.80	-	-	**12.80**	**12.80**
Total	**704.92**	**-**	**-**	**704.92**	**704.92**

Financial Assets as at March 31, 2019	Amortised Cost	FVTOCI	FVTPL	Total carrying value	Total fair value
Cash and Cash equivalents	542.15	-	-	**542.15**	**542.15**
Bank Balances other than above	117.64	-	-	**117.64**	**117.64**
Securities for trade	-	-	14.97	**14.97**	**14.97**
Trade receivables	776.02	-	-	**776.02**	**776.02**
Loans	5.49	-	-	**5.49**	**5.49**
Investments	16.45	-	55.51	**71.96**	**71.96**
Other financial assets	127.38	-	-	**127.38**	**127.38**
Total	**1,585.13**	**-**	**70.48**	**1,655.61**	**1,655.61**
Financial Liabilities as at March 31, 2019					
Trade payables	695.44	-	-	**695.44**	**695.44**
Borrowings	228.72	-	-	**228.72**	**228.72**
Lease liabilities	72.03	-	-	**72.03**	**72.03**
Other financial liabilities	3.44	-	-	**3.44**	**3.44**
Total	**999.63**	**-**	**-**	**999.63**	**999.63**

For description of the Group's financial instrument risks, including risk management objectives and policies is given in, Note 43.The methods used to measure financial assets and liabilities reported at fair value are described in the note below.

(iii) Fair Value Hierarchy

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

Financial assets and financial liabilities measured at fair value in the Balance Sheet are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: unobservable inputs for the asset or liability.

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis.

(a) The Group uses the following hierarchy for determining and/or disclosing the fair value of financial assets by valuation techniques:

Financial Assets as at December 31, 2021	Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Securities for trade	49.91	13.95	-	**63.86**
Investments	321.93	-	-	**321.93**
Total	**371.84**	**13.95**	**-**	**385.79**

Financial Assets as at March 31, 2021	Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Securities for trade	119.08	12.12	-	**131.20**
Investments	198.34	-	-	**198.34**
Total	**317.42**	**12.12**	**-**	**329.54**

Financial Assets as at March 31, 2020	Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Securities for trade	37.59	2.01	-	**39.60**
Investments	58.44	-	-	**58.44**
Total	**96.03**	**2.01**	**-**	**98.04**

Financial Assets as at March 31, 2019	Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Securities for trade	14.97	-	-	**14.97**
Investments	55.51	-	-	**55.51**
Total	**70.48**	**-**	**-**	**70.48**

There is no movement from between Level 1, Level 2 and Level 3.

(b) Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

(Rs. in Millions)

43 Financial Risk Management, Objective and Policies

The Group's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, credit risk and market risk. Risk management policies have been established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review and reflect the changes in the policy accordingly.

The Group's Management reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(a) Credit Risk:

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit Risk arises principally from the Company's cash and bank balances, trade receivables, investments, securities held for trade, loans, and security deposits.

The carrying amounts of financial assets represent the maximum credit risk exposure. Credit risk assessment on various components is described below:

(i) Trade receivables

The Group's trade receivables primarily include receivables from asset management companies (AMCs) for services provided, receivable from stock exchanges (for trade executed on behalf of customers) as well as clients and receivable from insurance companies. The group has not made any provision on ECL on account of receivables from AMCs, Stock exchanges and Insurance companies.

The group's management as establised accounts receivable policy under which customer accounts are regularly monitored. The group has a dedicated risk management team, which monitors the positions, expousures and marginson a continuous basis.

(ii) Cash and cash equivalents, bank deposits, investments and Securities held for trade

The Group maintains its cash and cash equivalents, bank deposits, investment, and securities held for trade with reputed banks, financial institutions, and corporates. The credit risk on these instruments is limited because the counterparties are banks and high credit rated financial institutions and corporates assigned by credit rating agencies.

(iii) Security Deposits and Loans

This consists of loans given to Employees and Security Deposits given to lessors as well as to utility providers like Electricity companies. These carries limited credit risk based on the financial position of parties and Group's historical experience of dealing with these parties.

(iv) Expected Credit Loss (ECL):

The Subsidiary company M/s. Prudent Broking Services Private Limited follows simplified ECL method in case of Trade Receivables and the Company recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction. The Company assesses the provision for ECL on each reporting dates.

For the purpose of computation of ECL, the term default implies an event where amount due towards margin requirement and/or mark to market losses for which the client was unable to provide funds / collaterals, within 90 days of its due, to bridge the shortfall, the same is termed as margin call triggered.

The Subsidiary company assesses allowance for expected credit losses for Loans and other financial assets. The ECL allowance is based upon 12 months expected credit losses. These carries very minimal credit risk based on the financial position of parties and Company's historical experience of dealing with these parties. Credit Risk on Other Financial assets is considered insignificant considering the nature of such assets and absence of counterparty risk.

The movement in expected credit loss:

Particulars	Carrying Amount December 31, 2021	Carrying Amount March 31, 2021	Carrying Amount March 31, 2020	Carrying Amount March 31, 2019
Opening balance	19.08	20.08	8.28	18.10
Impairment loss recognised / (reversed)	(0.76)	(1.00)	11.80	(9.82)
Closing balance	**18.32**	**19.08**	**20.08**	**8.28**

(b) Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include foreign currency receivables, deposits, investments in mutual funds.

Market risk exposures are measured using sensitivity analysis. There has been no change in the measurement and management of the Group's exposure to market risks.

(i) Foreign currency risk

The functional currency of the Company is INR. The Company does not have material foreign currency exposure. Hence, currency risk is very limited.

(ii) Price Risk :

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, caused by factors specific to an individual investments, its issuer and market. The Group's exposure to price risk arises from diversified investments in mutual funds and Bonds, and Securities held for trade, and classified in the balance sheet at fair value through profit or loss.

Changes in Prices of Investments and Securities held for trade	Impact on profit or loss	For the nine months period ended December 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
+10%	Profit before tax increased by	39.00	3.37	1.02	0.87
-10%	Profit before tax decreased by	(39.00)	(3.37)	(1.02)	(0.87)

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk primarily arises from investments in debt oriented mutual funds and debt securities. The Company's investments in debt oriented mutual funds and debt securities are primarily short-term, which do not expose it to significant interest rate risk.

All the borrowings of the group are fixed interest rate bearing instruments and hence there is no significant impact of movement in interest rate.

(Rs. in Millions)

(c) Liquidity risk:

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities. In doing this, management considers both normal and stressed conditions. The Group also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

The Group has established an appropriate liquidity risk management framework for the management of the Group's short-term, medium-term, and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and by continuously monitoring cash flows, and by matching the maturity profiles of financial assets and liabilities.

Contractual maturities of financial liabilities and assets

The table below provides details regarding the contractual maturities of financial liabilities as at December 31, 2021 :

Particulars	Upto 1 year	1-5 year	More than 5 year	Total
Liabilities				
Trade payables	1135.83	-	-	1,135.83
Borrowings	330.02	-	-	330.02
Lease liabilities	48.42	79.23	-	127.65
Other financial liabilities	31.67	-	-	31.67
Total	1,545.94	79.23	-	1,625.17

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2021 :

Particulars	Upto 1 year	1-5 year	More than 5 year	Total
Liabilities				
Trade payables	939.35	-	-	939.35
Borrowings	26.10	-	-	26.10
Lease liabilities	49.05	50.86	-	99.91
Other financial liabilities	25.23	-	-	25.23
Total	1,039.73	50.86	-	1,090.59

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2020 :

Particulars	Upto 1 year	1-5 year	More than 5 year	Total
Liabilities				
Trade payables	520.22	-	-	**520.22**
Borrowings	76.65	0.91	-	**77.56**
Lease liabilities	89.01	5.33	-	**94.34**
Other financial liabilities	12.80	-	-	**12.80**
Total	**698.68**	**6.24**	**-**	**704.92**

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2019 :

Particulars	Upto 1 year	1-5 year	More than 5 year	Total
Liabilities				
Trade payables	695.44	-	-	**695.44**
Borrowings	226.82	1.90	-	**228.72**
Lease liabilities	67.71	4.33	-	**72.04**
Other financial liabilities	3.44	-	-	**3.44**
Total	**993.41**	**6.23**	**-**	**999.64**

Prudent Corporate Advisory Services Limited
CIN : U91120GJ2003PLC042458

Notes to the Restated Consolidated Financial Information

(Rs. in Millions)

44 Additional Information pursuant to para 2 of general instructions for the preparation of Restated Consolidated Financial Information.

Name of entity	As at and for the nine months period ended December 31, 2021							
	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as % of consolidated net assets	Amount	as % of consolidated profit or loss	Amount	as % of consolidated comprehensive Income	Amount	as % of consolidated Total Comprehensive Income	Amount
Parent Company								
Prudent Corporate Advisory Services Limited	76.31%	1,807.02	74.32%	428.31	104.36%	(1.68)	74.24%	426.63
Subsidiary Companies								
Prudent Broking Services Private Limited	8.82%	208.86	6.45%	37.15	7.45%	(0.12)	6.44%	37.03
Prutech Financial Services Private Limited	0.35%	8.39	0.36%	2.09	0.00%	-	0.36%	2.09
Gennext Insurance Brokers Private Limited	14.52%	343.87	18.87%	108.73	-11.81%	0.19	18.95%	108.92
	100.00%	**2,368.14**	**100.00%**	**576.28**	**100.00%**	(1.61)	**100.00%**	**574.67**
Adjustment arising out of consolidation		(220.12)		-		-		-
Total		**2,148.02**		**576.28**		**(1.61)**		**574.67**

Name of entity	As at and for the year ended 31-03-2021							
	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as % of consolidated net assets	Amount	as % of consolidated profit or loss	Amount	as % of consolidated comprehensive Income	Amount	as % of consolidated Total Comprehensive Income	Amount
Parent Company								
Prudent Corporate Advisory Services Limited	77.01%	1,383.47	68.89%	312.07	35.61%	0.31	68.83%	312.37
Subsidiary Companies								
Prudent Broking Services Private Limited	9.56%	171.84	3.86%	17.48	29.05%	0.26	3.91%	17.74
Prutech Financial Services Private Limited	0.35%	6.30	0.48%	2.19	0.00%	0.00	0.48%	2.19
Gennext Insurance Brokers Private Limited	13.08%	234.96	26.76%	121.23	35.33%	0.31	26.78%	121.55
	100.00%	**1,796.57**	**100.00%**	**452.97**	**100.00%**	**0.88**	**100.00%**	**453.85**
Adjustment arising out of consolidation		(220.12)		-		-		-
Total		**1,576.45**		**452.97**		**0.88**		**453.85**

Name of entity	As at and for the year ended 31-03-2020							
	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as % of consolidated net assets	Amount	as % of consolidated profit or loss	Amount	as % of consolidated comprehensive Income	Amount	as % of consolidated Total Comprehensive Income	Amount
Parent Company								
Prudent Corporate Advisory Services Limited	80.01%	1,087.82	78.43%	218.46	66.89%	(3.26)	78.64%	215.21
Subsidiary Companies		-		-		-		
Prudent Broking Services Private Limited	11.31%	153.82	-3.97%	(11.07)	9.19%	(0.45)	-4.21%	(11.52)
Prutech Financial Services Private Limited	0.30%	4.10	0.07%	0.21	0.00%	-	0.08%	0.21
Gennext Insurance Brokers Private Limited	8.38%	113.90	25.47%	70.93	23.92%	(1.16)	25.49%	69.76
	100.00%	**1,359.64**	**100.00%**	**278.53**	**100.00%**	**(4.87)**	**100.00%**	**273.66**
Adjustment arising out of consolidation		(234.46)		-		-		-
Total		**1,125.18**		**278.53**		**(4.87)**		**273.66**

Name of entity	As at and for the year ended 31-03-2019							
	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as % of	Amount	as % of	Amount	as % of	Amount	as % of	Amount
Parent Company								
Prudent Corporate Advisory Services Limited	83.33%	848.26	101.56%	213.47	116.56%	(1.68)	101.46%	211.79
Subsidiary Companies								
Prudent Broking Services Private Limited	16.29%	165.81	-1.65%	(3.46)	-16.56%	0.24	-1.54%	(3.22)
Prutech Financial Services Private Limited	0.38%	3.91	0.09%	0.18	0.00%	-	0.09%	0.18
	100.00%	**1,017.98**	**100.00%**	**210.19**	**100.00%**	(1.44)	**100.00%**	**208.75**
Adjustment arising out of consolidation		(187.01)		-		-		-
Total		**830.97**		**210.19**		**(1.44)**		**208.75**

(Rs. in Millions)

45 (a) The Company had acquired the 100% Equity Shares in Gennext Insurance Brokers Private Limited, consequentially it has become a wholly owned subsidiary of the Company on April 03, 2019. The financial position and results, after elimination of intercompany transactions and balances, as included in the Restated Consolidated Financial Information for the year ended March 31, 2020 are given below:

Particulars	**As at April 03,2019**
Assets	
Financial assets	
(a) Cash and Cash equivalents	29.80
(b) Bank Balances other than (a) above	-
(c) Securities for trade	-
(d) Trade receivables	11.66
(e) Loans	0.62
(f) Investments	-
(g) Other financial assets	1.26
Total Financial Assets	**43.33**
Non-Financial assets	-
(a) Current Tax Asset (net)	3.98
(b) Deferred Tax Assets (net)	0.12
(c) Property, Plant and Equipment	10.98
(d) Right-of-use assets	9.88
(e) Intangible assets	0.14
(f) Other non-financial assets	0.24
Total Non-Financial assets	**25.36**
Total Assets	**68.69**
Liabilities	-
Financial Liabilities	-
Trade payables	0.03
Lease liabilities	9.88
Other financial liabilities	8.92
Total Financial Liabilities	**18.83**
Non-Financial Liabilities	-
(a) Current Tax Liability (Net)	-
(b) Provisions	1.94
(c) Other non-financial liabilities	4.27
Total Non-Financial Liabilities	6.21
Total Liabilities	**25.04**
Net Assets	**43.65**
Purchase consideration paid	**22.65**
Capital Reserve	**20.99**

(b) The company has acquired the 100% equity shares in Prutech Financial Services Private Limited, consequentially it has become a wholly owned subsidiary of the company on June 19, 2018.

(Rs. in Millions)

46 Operating Segment

The Group determines Operating Segments as components of an entity for which discrete financial information is available that is evaluated regularly by the chief operating decision-maker (CODM), in deciding how to allocate resources and assessing performance.

The Group's activities revolve around the distribution of Financial Products i.e. Mutual Funds, Bonds, Fixed Deposits, Insurance, Structured Products, Stock Broking and allied services, etc. Various financial products are aggregated into one reportable segment being agency nature of the business under "Fees and Commission" in accordance with aggregation criteria. Aggregation is done due to the similarities of the products and services provided to the customer and similarities in the method used to provide services..

Considering the nature of the Group's business, as well as based on reviews by CODM to make decisions about resource allocation and performance measurement, there is only one reportable segment in accordance with the requirements of Ind AS - 108 – ''Operating Segments'', prescribed under Companies (Indian Accounting Standards) Rules, 2015.

47 Expenditure in foreign currency (on accrual basis)	**For the nine months period ended December 31, 2021**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Business promotion expenses	0.21	1.01	1.39	0.50
Travelling expense	-	-	-	0.07
Conveynace expenses	-	-	-	0.03
Software Expenses	0.24	0.18	0.59	0.22
Membership and Subscription	0.35	-	-	-
Total	**0.80**	**1.19**	**1.98**	**0.82**

48 Corporate Social Responsibility

Particulars	**For the nine months period ended December 31, 2021**	**For the period ended March 31,2021**	**For the period ended March 31,2020**	**For the year ended March 31, 2019**
Gross amount required to be spent by the company during the period / year (under section 135 of the companies Act 2013)	6.55	7.73	5.47	3.50
Amount of Expenditure incurred	1.29	10.20	3.72	3.91
short fall at the end of the period / Year	NA	-	1.75	-
Total of previous year shortfall	-	-	-	-
Reason for shortfall	-	-	*	-
Nature of CSR activities	-	-	-	-
Construction/ acquisition of assets	-	-	-	-
on purpose other than above	1.29	10.20	3.72	3.91
amount yet to be spent/ paid	5.26	-	0.00	0.00
Details of related party transactions	NA	NA	NA	NA
Liability incurred by entering into contractual obligations	-	-	-	-

* lack of availability of proper project and lock down announced in India by Government due to Covid - 19 Pandemic

49 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules thereunder are yet to be framed. Accordingly, the actual impact of this change will be assessed and accounted for when the notification becomes effective.

50 Standards issued but not effective: As at the date of issue of the Restated Consolidated Financial Information, there are no new standards or amendments which have been notified by the MCA but not yet adopted by the Group.

51 Contingent Liabilities and Commitments

(a) Contingent liabilities	**As at December 31, 2021**	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2019**
Bank Gaurantee with exchanges as margin requirements	199.00	199.00	29.00	73.00
Income Tax Matters (refer note (i) below)	53.85	-	-	-
Claim against the Group not acknowledged as debt (refer note (ii) below)	-	-	3.42	-
Total	**252.85**	**199.00**	**32.42**	**73.00**

(i) Includes - Income Tax Demand for A.Y. 2013-14 of Rs. 53.85 millions received on September 29, 2021 by Prudent Broking Services Private Limited (PBSPL), a subsidiary of PCASL. PBSPL has filed appeals against the said order with CIT (Appeals). Pending the resolution of the appeals, the Company has agreed for payment of Rs 5.00 millions till August 31, 2022 out of which it has deposited Rs. 1.00 million as first instalment on January 27, 2022. PBSPL has assessed that it is only possible, but not probable, that outflow of economic resources will be required. Further income tax notices u/s 148 for reopening assessment u/s 147 have been received for A.Y. 2014-15, A.Y. 2015-16, A.Y. 2016-17 and A.Y. 2017-18 on similar kind of matter and company has filed writ petition with Gujarat High Court for all these assessment years.

(ii) Claim against Prudent Broking Services Private Limited (PBSPL) not acknowledged as debt pertains to claims made by the client citing unauthorized trades had been placed by the PBSPL in the stock exchange. Pursuant to Orders by Arbitral Tribunal pertaining to legal proceedings against clients, the PBSPL has been asked to bear an amount of Rs 6.85 Millions which has been paid under protest by the PBSPL and shown as "Amount Paid under Protest"(Refer Note 10). Considering the facts of the case and the legal opinions, the PBSPL had made provision for 50% of the amount paid under protest amounting to Rs 3.42 Millions in FY 2019-20 and as the company lost the legal case against client and there is no further prospects of recovery in case of client. Balance 50% amount i.e. Rs. 3.42 Millions is written off during FY 2020-21.

(Rs. in Millions)

(b) Prudent Broking Services Private Limited (PBSPL) ("Trading member") had entered into an agreement with IL&FS Securities Services Ltd ("ISSL" or "Clearing Member") for appointing ISSL as Company's Clearing Member for Derivative Segment. As a part of the agreement, the Trading Member had to place margins with Clearing Member for trading member's client open positions. As at year end March 2019, this margin amount placed by PBSPL with ISSL amounted to Rs. 21.39 millions. In July 2019, the National Stock Exchange("NSE") disabled the terminals of ISSL citing shortfalls in payments by ISSL which resulted in the trading members not being able to place trades for its clients. Considering the IL&FS crisis, PBSPL obtained NOC from ISSL and appointed Axis Bank Limited as its Clearing Member. Since the margin amount had not been released by ISSL, PBSPL and other trading members along with the Association of National Exchanges Members of India (ANMI) filed an Interlocutory Application in the Supreme Court of India on September 26, 2019 requesting the release of the funds by ISSL. The Supreme Court dismissed this interlocutory application in December 2020 and asked the parties to file case with lower authorities. Thereafter, PBSPL filed a complaint with NSE's Grievence Redressal Committee (GRC) on 28th December 2020. GRC has accepted PBSPL's claim of Rs. 20.47 millions in the committee meeting held on July 15, 2021 . Further, ANMI has filed an interlocutory application under Rule 31 of National Company Law Appellate Tribunal Rules, 2016 on behalf of Trading Members, which has been admitted on December 01, 2021 and the matter is still pending. Considering the facts of the case, the management of the company has already provided Rs 21.39 millions as impairment allowance in F.Y. 2020-21, and considering pending outcome, the said provision has been continued (Refer Note 10 and 32).

(c) A Show Cause Notice ("SCN") dated September 25, 2018, has been issued by SEBI to Prudent Comder Private Limited ("PCPL") (now merged with Prudent Broking Services Private Limited) alleging that there had been contraventions of certain provisions, regarding trading in "paired contracts", of erstwhile Forward Contracts (Regulation) Act, 1952 and Government Notification dated June 05, 2007, while the company was a member National Spot Exchange of India Limited ("NSEL"). The SCN called upon PCPL to show cause as to why appropriate recommendation should not be made against it under the SEBI (Intermediaries) Regulation, 2008 ("SEBI Intermediaries Regulation"). Prudent Broking Services Private Limited ("PBSPL") denied the allegations and submitted in its letter dated October 15, 2018, that it has not violated any of the regulations of the stock exchanges and sought inspection of the relevant documents. PBSPL inspected the documents provided by SEBI and pursuant to its letter dated November 19, 2019, submitted that all the transactions undertaken were within the bye laws, rules and regulations of the stock exchanges, and requested to be exonerated from alleged violations and actions. SEBI, in January 2020, issued a show cause notice to PCPL based on an Enquiry Report of Designated Authority in terms of SEBI Intermediaries Regulation, stating that the company did not maintain requisite standards of the code of conduct in trading in "paired contracts", which resulted in a recommendation to cancel the certificate of registration of the company as a commodity derivatives broker. PBSPL has responded to the SCN denying the allegation made and submitted that the allegations are misconceived, based on incomplete and incorrect assumption of facts. The matter is currently pending adjudication.

(d) A show-cause notice dated September 28, 2020 was issued by the Joint Commissioner, Central Goods and Service Tax and Central Excise ("Joint Commissioner- CGST and C.Ex") to Karvy Stock Broking Limited ("KSBL") for huge difference between gross value of services declared in ITR & ST 3 returns for F.Y. 2014-15. The matter was further taken up for adjudication, which remain unattended at the offices of KSBL.
Subsequently, a show-cause notice was sent to the Company on January 21, 2022 for complying with the tax liabilities of KSBL. The Company submitted that it had only acquired the mutual fund folios of KSBL through the bidding process and the transaction cannot be equated to a takeover of the business of KSBL. Further, it was also submitted that both our Company and KSBL are separate companies incorporated under the Companies Act and should therefore be treated as separate and distinct legal entities under applicable law. The matter is currently pending.

(e) Capital commitments and other commitments

Based on the information available with the group, there is no capital commitments and other commitments as on December 31, 2021 , March 31, 2021. March 31, 2020 and March 31, 2019

52 On October 21, 2021, the Company was selected as the highest bidder for acquiring the mutual fund folio of Karvy Stock Broking Limited ("Transaction"). On October 27, 2021, the Company has paid Rs.1,510 Millions (excluding taxes) for the above Transaction. Based on the analysis performed by the management of the Company, it has concluded that the Transaction does not qualify as a "Business" as per the definition provided in Ind AS 103 "Business Combination". Consequently, the Transaction is accounted for as an asset acquisition. As required under Ind-AS 38, the Company has considered various factors such as its ability to retain the customers and generate revenue over a sustainable period, technical and technological changes expected, the industry growth prospects and the leverage of its existing physical and digital infrastructure to serve these customers and concluded that the cost of acquiring the customer folios should be amortized over a 10 year period on a straight line basis. The Company is in the process of on-boarding the erstwhile partners / sub-brokers of Karvy. Necessary provisions for sub-broking expenses to be paid to the sub-brokers / partners for the month of November 2021 and December 2021 has been made in the books of account.

53 The Restated Consolidated Financial Information were authorized for issue in accordance with a resolution of the directors on February 15, 2022.

For and on behalf of the Board of Directors of
Prudent Corporate Advisory Services Limited

Sanjay Shah	**Shirish Patel**	**Chirag Shah**
Chairman and Managing Director	Director and CEO	Director
DIN : 00239810	DIN : 00239732	DIN : 01480310

Dhaval Ghetia	**Chirag Kothari**
Company Secretary	Chief Financial Officer
ACS-46211	

Place : Ahmedabad
Date: February 15, 2022

OTHER FINANCIAL INFORMATION

Accounting ratios

The accounting ratios derived from Restated Consolidated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below:

(*₹ in million, unless otherwise stated*)

Particular		**As at and for nine months ended December 31, 2021**	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2019**
A.	Networth Attributable to Equity Share Holders	2148.02	1,576.45	1,125.18	830.97
B.	Profit Attributable to equity share holders	576.28	452.97	278.53	210.23
C.	Weighted average number of equity shares outstanding post bonus issues and stock split (in'no's)	41,351,294	41,344,000	41,344,000	41,344,000
D.	Weighted average number of dilutive potential equity shares outstanding post bonus issues and stock split (in'no's)	41,351,294	41,406,680	41,406,680	41,406,680
E.	Number of Equity shares outstanding post bonus issues and stock split (in'no's)	41,406,680	41,344,000	41,344,000	41,344,000
F.	Accounting Ratios				
	Basic Earnings per share	13.94	10.96	6.74	5.08
	Diluted earnings per share	13.94	10.94	6.73	5.08
	Return on Networth for Equity Share Holders	26.83%	28.73%	24.75%	25.30%
	Net Asset Value per share	51.95	38.13	27.21	20.10
G.	EBITDA				
	EBITDA	814.96	619.10	466.71	382.05
	EBITDA Margin (%)	25.37%	21.61%	19.87%	17.21%

Notes:

1. *The above statement should be read with the notes on restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss and restated consolidated statement of cash flows.*

2. *The ratios have been computed as follows:*

$$\textit{Earnings per share (Basic)} = \frac{\textit{Restated consolidated profit for the year available for equity shareholders}}{\textit{Weighted average number of equity shares outstanding post bonus issues and stock split}}$$

$$\textit{Diluted earnings per share (Diluted)} = \frac{\textit{Restated consolidated profit for the year available for equity shareholders}}{\textit{Weighted average number of diluted potential equity shares outstanding post bonus issues and stock split}}$$

$$\textit{Return on net worth(\%)} = \frac{\textit{Restated consolidated profit for the year available for equity shareholders}}{\textit{Restated consolidated net worth at the end of the year}}$$

$$\textit{Net asset value per share (₹)} = \frac{\textit{Net worth attributable to equity shareholders}}{\textit{Number of equity shares outstanding post bonus issues and stock split}}$$

3. *Net worth for ratios mentioned in note F above is= Equity share capital + Other equity + Instrument entirely equity in nature*

4. *Earnings per share calculations are in accordance with Ind AS 33 - Earning Per Share*

5. *EBITDA: Restated profit for the period/year, adjusted to exclude (i) tax expense, (ii) other income, (iii) depreciation and amortization expense, (iv) finance costs, and (v) exceptional items*

6. *EBITDA Margin = EBITDA / Total Revenue*

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company and Material Subsidiary for Fiscals 2021, 2020 and 2019 (collectively, the "**Audited Financial Statements**") along with the respective audit reports, are available on our website at www.prudentcorporate.com/investorrelation.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute (i) a part of this Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor BRLMs or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

Related party transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards, i.e., *Ind AS 24 - 'Related Party Disclosures*' for nine months ended December 31, 2021 and for Fiscals 2021, 2020 and 2019 and as reported in the Restated Consolidated Financial Information, see "*Financial Information – Restated Financial Information – Note 39 - Related Party Disclosures*" on page 249.

CAPITALIZATION STATEMENT

The following table sets forth our Company's capitalization as at December 31, 2021, on the basis of our Restated Consolidated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Financial Information*" and "*Risk Factors*" on pages 265, 197 and 27, respectively.

(₹ *in million*)

Particulars	Pre-Offer as at December 31, 2021	As adjusted for the Offer
Total borrowings		
Current borrowings (A)	330.02	330.02
Non-current borrowings (including current maturity) (B)	-	-
Total borrowings (C=A+B)	**330.02**	**330.02**
Total Equity		
Equity Share capital	207.03	207.03
Instrument entirely equity in nature	-	-
Other Equity	1,940.99	1,940.99
Total equity (D)	**2,148.02**	**2,148.02**
Ratio: Non-current borrowings /Total equity (B/D)	**-**	**-**
Total Borrowings/Total equity (C/D)	**0.15**	**0.15**

FINANCIAL INDEBTEDNESS

Except as mentioned in "*History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation or revaluation of assets in the last 10 years Acquisition of MF folio/AUM of Karvy Stock Broking Limited*" on page 168, as on December 31, 2021, our Company has not availed any loans or incurred any financial indebtedness.

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

*You should read the following discussion in conjunction with our Restated Consolidated Financial Information as of, and for, the nine month period ended December 31, 2021 and the years ended March 31, 2021, 2020 and 2019. Our Restated Consolidated Financial Information for the nine month period ended December 31, 2021 and Fiscals 2021, 2020 and 2019, have been prepared under Indian Accounting Standards ("**Ind AS**"), the Companies Act and the SEBI ICDR Regulations. For further details, please see "Financial Information" on page 197.*

You should read the following discussion and analysis of our financial condition and results of operations together with such Restated Consolidated Financial Information, including the significant accounting policies, notes thereto and reports thereon, which have been prepared in accordance with Companies Act and SEBI ICDR Regulations. The Restated Consolidated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. For further details, see "Risk Factors – External Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition" on page 54.

Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.

*Unless otherwise indicated, the information in this section is obtained or extracted from industry research report on "Assessment of financial products distribution industry in India" ("**CRISIL Report**") exclusively prepared and released by CRISIL Limited ("**CRISIL**") dated December, 2021 and commissioned by and paid for by the Company for the Offer, pursuant to an engagement letter dated May 6, 2021. The CRISIL Report is available for inspection at the Registered Office of the Company between 10 a.m. and 5 p.m. on all Working Days from date of the Red Herring Prospectus until the Bid/ Offer Closing Date and was also available for online access at https://prudentcorporate.com/investorrelation.*

The following discussion and analysis contains forward-looking statements that involve risks and uncertainties. Our actual results may differ from those anticipated in these forward-looking statements as a result of any number of factors, including those set forth in the sections "Forward-Looking Statements" and "Risk Factors" on pages 17 and 27, respectively.

Overview

We are an independent retail wealth management services group in India and are amongst the top mutual fund distributors in terms of average assets under management ("**AAUM**") and commission received (*Source: CRISIL Report*). We offer a technology enabled, comprehensive investment and financial services platform with end-to-end solutions critical for financial products distribution and presence across both online and offline channels. We grew faster among national distributors (amongst the top 10 mutual fund distributors) in terms of commission and AAUM with a CAGR of 34.4% and 32.5% respectively for the five year period ending Fiscal 2021 (*Source: CRISIL Report*). We believe we have become an important interface between asset management companies ("**AMCs**") and mutual fund distributors or independent financial advisors ("**MFDs**") (and by extension, retail investors who avail services from such MFDs), over the last two decades. We are an independent platform with no single AMC contributing more than 15% of our AUM as of December 31, 2021.

As on December 31, 2021, our assets under management from the mutual fund distribution business ("**AUM**") stood at ₹ 484,114.74 million with 92.14% of our total AUM being equity oriented. Our AUM has increased from ₹ 166,677.52 million as on March 31, 2018 to ₹ 484,114.74 million as on December 31, 2021, at a CAGR of 32.83% with our equity oriented AUM increasing from ₹ 138,657.92 million to ₹ 446,059.12 million during the same period, at a CAGR of 36.49%. Among national distributors our market share on commission received basis has increased from around 4% in Fiscal 2015 to around 12% in Fiscal 2021. Our equity AUM of ₹ 446,059.12 million as on December 31, 2021, represented 2.39% of total equity AUM of mutual fund industry.

Incorporated in 2003, we provided wealth management services to 13,51,274 unique retail investors through 23,262 MFDs on our business-to-business-to-consumer ("**B2B2C**") platform and are spread across branches in 110 locations in 20 states in India, as on December 31, 2021. Of our branches, 50 are locations in beyond the top 30 cities ("**B-30"**) markets and 60 are locations in the top 30 cities ("**T-30**") markets. Further, 27.83% of our registered MFDs and 20.56% of retail investors are based out of B-30 markets, as on December 31, 2021. Owing to our large network of MFDs, we facilitate AMCs access to smaller cities, especially in the B-30 markets. As of December 31, 2021, we are associated as distributors with 42 AMCs. Our AUM from the B-30 markets was ₹ 25,250.34 million representing 15.15% of our total AUM as of March 31, 2018 and has grown at a CAGR of 36.20% to ₹ 80,586.23 million representing 16.65% of our total AUM as of December 31, 2021.

Regular plans will continue to constitute a majority share of retail MF AUM in the industry due to trends such as increasing presence of first-time investors, popularity of mutual funds as an investment product beyond the larger cities, low level of awareness of nuances across financial products amongst a large section of investors and the need for guidance from a trusted intermediary in the wake of market volatility. Further, we believe that recent reductions in TERs have made sourcing of new business from retail investors more challenging, and AMCs will need to focus on developing alternative sourcing strategies and improving distributor management. We believe that our pan-India presence with a network of 23,262 MFDs representing 18.46% of the industry (as of December 31, 2021) increases our value proposition for the AMCs to source business from retail investors in a cost-efficient manner. (*Source: CRISIL Report*) We believe we are well positioned to grow our AUM given our de-risked B2B2C business model and our long-standing relationships with MFDs and AMCs.

We believe that our technology platform has given us wider acceptability amongst MFDs in the industry. As per CRISIL, as on December 31, 2021, there were 126,000 AMFI Registration Number ("**ARN**") holders registered with AMFI, while the number of ARNs empanelled with us stood at 23,262 representing 18.46% of the industry. Further, 84,784 MFDs have joined the industry during the period between April 1, 2016 and December 31, 2021. (*Source: CRISIL Report*) During the same period, we have added 18,915 MFDs on our platform, which we believe is a demonstration of our ability to provide a consistent and attractive value proposition for MFDs. This has helped us to increase the number of retail investors served from 549,881 as of April 1, 2018 to 13,51,274 as of December 31, 2021. We continue to enjoy long-standing relationships with our MFDs, with more than 50.60% of our AUM as of December 31, 2021, being contributed by MFDs who are associated with us for more than five years. Further, our MFD base is well-diversified, with our top 50 MFDs (by AUM) contributing only 8.52% of total AUM, as of December 31, 2021.

Our retail focus has helped grow the number of systematic investment plans ("**SIPs**") handled by us from 0.79 million as of April 1, 2018 to 1.53 million as of December 31, 2021. Correspondingly, equity AUM from SIPs increased from ₹ 40,384.66 million (representing 29.08% of our total equity AUM) as of March 31, 2018 to ₹ 189,499.09 million (representing 42.48% of our total equity AUM) as of December 31, 2021. Our monthly SIP flows as of December 31, 2021 were ₹ 3866.96 million providing visibility of monthly inflows for our MFDs as well as the Company. SIPs have helped further increase retail investor participation in the mutual fund space. Several benefits accrue from SIPs, such as avoidance of behavioural weakness during uncertain periods, aggregation of a high number of small amounts, and certain tax incentives. These have not only made SIPs an attractive investment option, but have also helped grow and diversify net inflow across the industry. With contribution levels set low enough to make inflows less susceptible to cycles, SIPs have also helped reduce volatility with respect to aggregate inflows. (*Source: CRISIL Report*)

We also distribute life and general insurance products in India through our wholly owned subsidiary, Gennext. In the nine months ended December 31, 2021, we distributed 74037 policies, across life and non-life insurance segments, with an aggregate premium of ₹ 1612.03 million, and total brokerage received amounting to ₹ 232.22 million. The total number of policies distributed through us increased from 53,221 in Fiscal 2019 to 86,988 in Fiscal 2021 at a CAGR of 27.85%. Further renewal of policies constituted 71.32% of the total number of policies sold by us in the nine months ended December 31, 2021 and allowed us to earn premium of ₹ 913.80 million. We distribute insurance products through a mix of online and offline channels, with each contributing 34.23% and 65.77%, respectively to new policies issued in the nine months ended December 31, 2021. Gennext recorded the highest EBITDA and PAT margin in Fiscal 2020 among insurance brokers with digital platforms and focus on point-of-sale channels. (*Source: CRISIL Report*)

Some key metrics of our business as on December 31, 2021 are detailed below:

21 Years in Industry	**16356** Pin Codes Serviced	**42** AMCs associated to as Distributor	**1067** Employee Strength	**23262** Channel Partners
13.51 Lac Clients	**35.05** Lac Live Folios	**48411Cr** MF AUM ~92% is Equity AUM	**15.25** Lac Live SIPs	**387Cr** Monthly SIP Amount

T-30/B-30 Presence	Branch		AUM	
	60 T-30	**50** B-30	**83.35%** T-30	**16.65%** B-30

CAMS Rank			
	3 Total AUM in Retail	5 Total Folios	4 Total Transactions

Key metrics of our business verticals as on December 31,2021, are detailed below:

Vertical	Key Metric	Technology Platform
Mutual funds	AUM: ₹ 484,114.74million No. of investors: 1,351,274 No. of MFDs: 23262 AUM per MFD: ₹ 20.81 million AUM per investor: ₹ 0.36 million No. of AMCs associated with: 42	FundzBazar: Online investment platform that offers variety of investment products (1) PrudentConnect: Virtual office for MFDs registered with us.
Insurance	Premium: ₹ 1612.03 million No. of policies: 74037 Average premium per policy: ₹ 0.02 million No. of life insurance companies associated with: 11 No. of general insurance companies associated with: 26	Policyworld: Online platform which offers variety of insurance solutions
Broking	*Cash Delivery* Turnover: 37156.36million Active investor base: 19,814 Turnover per investor: ₹ 1.88 million *Cash Intraday* Turnover: 61347.72 million Active investor base: 5341 Turnover per investor: ₹ 11.49 million *Equity Derivatives* Turnover: 105571.28million Active investor base: 1608 Turnover per investor: ₹ 65.65million *Other Derivatives* Turnover: 42582.78million	WiseBasket: Online model stock portfolios, aligned with economic trends and offer growth opportunities PruBazar: Online platform for trading in equities

Vertical	Key Metric	Technology Platform
	Active investor base: 185 Turnover per investor: ₹ 230.18 million	

(1) *We offer multiple investment products through FundzBazar, including mutual funds, stock broking, National Pension Scheme ("**NPS**"), corporate fixed deposits, loan-against-securities ("**LAS**"), Secondary Bonds, Gold Accumulation Plan ("**GAP**") etc.*

Some of our key financial metrics are as below:

Particulars	For the nine months ended December 31, 2021	Percentage of total revenue from operations	For the year ended March 31, 2021	Percentage of total revenue from operations	For the year ended March 31, 2020	Percentage of total revenue from operations	For the year ended March 31, 2019	Percentage of total revenue from operations
Total Commission and fee income from:	3140.71	97.78%	2,775.58	96.88%	2,293.11	97.65%	2,153.68	97.02%
Distribution of mutual fund products	2713.88	84.49%	*2,312.93*	*80.73%*	*1,955.87*	*83.29%*	*1,956.98*	*88.16%*
Distribution of insurance products	233.69	7.28%	*263.65*	*9.20%*	*170.35*	*7.25%*	*4.03*	*0.18%*
Stock broking and allied services	151.92	4.73%	*162.94*	*5.69%*	*136.76*	*5.82%*	*162.86*	*7.34%*
Oher financial and non-financial products	41.22	1.28%	*36.06*	*1.26%*	*30.13*	*1.28%*	*29.81*	*1.34%*
Interest Income	31.52	0.98%	33.03	1.15%	47.81	2.04%	64.80	2.92%
Net gain on fair value changes	39.98	1.24%	56.46	1.97%	7.41	0.32%	1.36	0.06%
Total Revenue from operations	3212.21	**100.00%**	**2,865.07**	**100.00%**	**2,348.33**	**100.00%**	**2,219.84**	**100.00%**
Profit before exceptional items and tax	776.92	24.19%	605.24	21.12%	374.34	15.94%	305.71	13.77%
Profit after tax	576.28	17.94%	452.97	15.81%	278.53	11.86%	210.19	9.47%

We have a professional and an experienced management team, led by our Chairman and Managing Director and Promoter, Mr. Sanjay Shah, our CEO and Director, Mr. Shirish Patel, our Director, Mr. Chirag Shah and our Chief Financial Officer, Mr. Chirag Kothari who are supported by a qualified and motivated pool of 1,067 employees (as of December 31, 2021). Our key management personnel have experience and skills related to business operation, finance, accounts as well as experience in financial service industry. Together, they have demonstrated an ability to manage and grow our operations. For further details of our Directors and Key Management Personnel, see "*Our Management*" on page 173. Further, we have benefited from the strategic inputs and support of Wagner Limited, a TA group company and a financial investor in our Company since Fiscal 2019. For further details, see "*History and Certain Corporate Matters*" on page 166.

Factors Affecting Our Results of Operations

Our results of operations have been, and will continue to be, affected by a number of events and actions, some of which are beyond our control. However, there are some specific items that we believe have impacted our results of operations and, in some cases, will continue to impact our results on a consolidated and standalone basis. We believe that the following factors, amongst others, have, or could have, an impact on these results, the manner in which we generate income and incur the expenses associated with generating this income. For further details of such factors, please see the sections titled "*Our Business*" and "*Risk Factors*" on pages 143 and 27, respectively.

Our ability to sustain growth in AUM and SIP flows from retail investors

Our AUM is the key factor driving our income and our ability to attract and retain AUM has a significant impact on our financial results. The level of our AUM is determined by asset inflows, more specifically from SIPs and outflows as well as due to mark to market action of underlying assets.

Below is a table showing our mutual fund AuM for given periods.

As at	Mutual Fund AuM (₹ million)		
	Equity Mutual Fund AuM	**Equity Mutual Fund AuM through SIP**	**Total Mutual Fund AuM**
December 31, 2021	446,059.12	189,499.09	484,114.74
March 31, 2021	271,076.79	118,614.02	309,719.33
March 31, 2020	159,299.16	61,612.08	193,287.17
March 31, 2019	181,659.38	64,380.03	211,905.21
March 31, 2018	138,657.92	40,384.66	166,677.52

In spite of significant volatility, our SIP base has helped us in sustaining and growing our Equity AUM. Our equity AUM from SIPs increased from ₹ 40,384.66 million (representing 29.1% of our total equity AUM) as of March 31, 2018 to ₹ 118,614.02 million (representing 43.75% of our total equity AUM) as of March 31, 2021 and further to ₹ 189,499.09 million (representing 42.48% of our total equity AUM) as of December 31, 2021. Further our SIP base has also supported growth to our equity AUM since pandemic i.e. March 31, 2020, wherein our total equity AUM has increased by 180.01% while our SIP AUM in equity AUM has grown by 207.57% Our monthly SIP flows as of December 31, 2021 were ₹3,866.96 million providing visibility of monthly inflows for our MFDs as well as the Company. With contribution levels set low enough to make inflows less susceptible to cycles, SIPs have also helped reduce volatility with respect to aggregate inflows. *(Source: CRISIL Report)*

Any decrease in our SIP inflows or change in the quality, quantity or nature of our monthly SIP flows would adversely affect our AUM and consequently our revenues and profitability.

Developments in relation to the COVID-19 pandemic

The COVID-19 pandemic and the preventative or protective actions that governments around the world have taken to counter the effects of the pandemic have resulted in an extended period of business disruption and a decrease in economic activity in several countries, including in India. As a result, the current COVID-19 pandemic has adversely affected workforces, consumer sentiment, economies and financial markets around the world and has led to uncertainty in the global economy and significant volatility in global financial markets.

Following the outbreak of the COVID-19 pandemic, our overall revenue from operations increased from ₹ 2,348.33 million for Fiscal 2020 to ₹ 2,865.07 million for Fiscal 2021 representing an increase of 22.00%. While there has been no significant impact in our revenue from operations and profits due to COVID-19 pandemic, extended period of business disruptions, stock market volatility and decrease in investor's sentiments for new investment may represent challenges for us in the future. The nature of our business requires personal meetings and face-to-face discussions with clients, which could not take place effectively during the initial phase of the pandemic. However, our robust and readily available technological solutions enabled our MFDs and employees to continue to function and interact seamlessly despite the unprecedented complex environment created by the COVID-19 pandemic, which we believe, has given us a competitive advantage during this period.

As per CRISIL, the collaboration negates the need for small IFAs to invest in technology on their own and also provides them access the entire product portfolio of ND. Few large NDs have managed to on-board significant number of IFAs through their digital platforms. *(Source: CRISIL Report)* Recently, we have seen an increase in the number of MFDs joining our platform. In the nine months ended December 31, 2021 we have added 6,409 MFDs on our platform.

While the long-term impact of the COVID-19 outbreak, economic slowdown on our business, client sentiment and investment behaviour are yet to be known, our Company has continued to engage with our MFDs and employees through robust technology platform(s), with minimal disruption on business activities during the lockdowns. Further, our Company has assessed that it would be able to navigate the uncertain economic conditions which are currently prevailing based on its business model, availability of liquidity and capital at its disposal.

Events beyond our control may unfold in the future, which makes it difficult for us to predict the extent to which the COVID-19 pandemic will impact our Company's operations and results. We continue to closely monitor the effect that COVID-19 may have on our business and results of operations.

Ability to attract and retain MFDs

Our MFDs are our primary customers and are crucial to our business. As most retail investors rely on MFDs for their investments in financial products, acquisition and retention of MFDs is vital to the growth and retention of our AUM.

We believe that our technology platform has given us wider acceptability amongst MFDs in the industry. As per CRISIL as on December 31, 2021 there were 126,000 ARN holders registered with AMFI, while the number of ARNs empanelled with us stood at 23,262, representing 18.46% of the industry. Further 84,784 MFDs have joined the industry during the period between April 1, 2016 and December 31, 2021. *(Source: CRISIL Report)* During the same period we have added 18,915 MFDs on our platform, which we believe is a demonstration of our ability to provide a consistent and attractive value proposition for MFDs. This has helped us to increase the number of retail investors served from 549,881 as of April 1, 2018 to 1,351,274 as of December 31, 2021. We continue to enjoy long-standing relationships with our MFDs, with more than 50.60% of our AUM as of December 31, 2021, being contributed by MFDs who are associated with us for more than five years. Further, our MFD base is well-diversified, with our top 50 MFDs (by AUM) contributing only 8.52% of total AUM, as of December 31, 2021.

While we enter into perpetual agreements with our MFDs, each such agreement can be terminated by the MFDs, including without cause and at no additional cost. Our ability to retain MFDs on our platform is based on our ability to provide a user-friendly and diverse platform while providing a high standard of client service. As we do not engage directly with any of the end customers of the MFDs, we are entirely dependent on the goodwill of the MFDs and their sense of utility from the use of our platform and services.

Inspite of requirement of obtaining individual client consent to change the broker code which creates administrative hassles for MFDs, there can be no assurance that our products and services will continue to find favour with MFDs and that they will not migrate their customers to any competing platform or engage in direct selling arrangements with AMCs. Our inability to attract and retain MFDs may have an adverse impact on our business and future financial performance.

Macroeconomic environment and fluctuation in underlying markets

We operate in the segment of distribution of financial products in India. As a result, our business, financial condition, results of operations and prospects are significantly affected by macroeconomic conditions in India, where we conduct most of our business and the performance of the investment products distributed by us depends largely on the overall performance of the Indian economy. In addition, our AUM is valued on a mark-to-market basis. Consequently, when general market conditions improve or deteriorate, our AUM tend to increase or decrease accordingly.

Fluctuation in the performance of financial products has an impact on the perception of such products as an investment option, which can affect the demand for the financial products distributed by us. While our business tends to benefit from increased consumer confidence in the overall economy and financial markets, for the financial services sector in particular, adverse macroeconomic conditions in India may reduce the demand for, or returns on the products distributed by us, and otherwise adversely affect our results of operations. Other key factors affecting the performance of the growing wealth management industry in India include changes in the political and social conditions in India, and changes in governmental policies with respect to laws and regulations, anti-inflationary measures, currency conversion and remittance abroad, and rates and methods of taxation, among other things.

Changes to our product basket

We have recently expanded our product offerings and may continue to do so in the future. For example in Fiscal 2020, we have started offering unlisted equity, bonds, structured products, distribution of PMS/ AIFs products and private wealth management services. Most of these new products have begun contributing to our commission and fees income in a meaningful way only from Fiscal 2021. However, our experience in some of these products is very limited and there is no guarantee that we will be able to continue to sustain the initial momentum from our expanded product basket.

We believe that the increase in the types of products and services offered by us is an important component of our ability to attract and retain MFDs and in turn our ability to grow our business and revenues. Our expenses are also dependent on the nature of products offered by us. For example, insurance products which are primarily sold through our own employees and platforms and without significant intervention of MFDs, leads to lower brokerage expenses for us as compared to mutual fund products or certain other forms of securities. Our ability to manage our expenses may have a material adverse impact on our results of operations.

The success of our offerings is also dependent on the acceptability or preference of retail investors to certain categories of investment products or financial products. This may require us to tweak our product portfolio in coming years to continue to grow with the market demands. For example, our insurance business has shown significant growth in last year, post-acquisition of Gennext by us on April 3, 2019, with commission and fees income increasing from ₹ 170.35 million in Fiscal 2020 to ₹ 263.65 million in Fiscal 2021. At the same time, our commission and fees income from distribution of mutual fund products has increased from ₹ 1,955.87 million in Fiscal 2020 to ₹ 2,312.93 million in Fiscal 2021, which we believe is in part due to the recent preference of investors for mutual funds and other financial products as compared to traditional banking products.

Changes in the regulatory environment

We are subject to a variety of financial services regulation, including, the SEBI Act, SEBI Intermediaries Regulations, SEBI Investment Advisers Regulations, directions issued by AMFI, PFRDA (POP) Regulations, IRDAI (Insurance Broker) Regulations, 2018, SEBI Stock Brokers Regulations, Stock Exchange by-laws, rules and notices, SEBI Mutual Fund Regulations, AMFI Guidelines, SEBI Code of Conduct for Intermediaries of Mutual Funds, SEBI Research Analysts Regulations, SEBI Certification of Associated Persons Regulations, SEBI Depositories and Participant Rules, SEBI Intermediaries Circular on Conflicts and the RERA Act. The laws and regulations governing advisory and distribution services relating to financial products have become increasingly complex and cover a wide variety of issues, including registration, disclosures and conflicts. For example, from April 1, 2019, SEBI has implemented the proposal of lowering the cost for mutual fund investors by revision of AUM slab-wise limits of total expense ratio of mutual fund schemes. Any future changes and related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or changes to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations.

See "*Key Regulations and Policies in India*", "*Risk Factors – We operate in a highly regulated environment, which is subject to change, and existing and new laws, regulations and government policies affecting the sectors in which we operate could adversely affect our business, financial condition and results of operations.* " and "*Risk Factors – Non-compliance with regulatory guidelines and directions/ observations during inspection by regulatory organisations may have a material adverse effect on our business, financial condition or results of operation.* " on pages 161, 27 and 28, respectively.

Competition

The financial services industry is rapidly evolving and intensely competitive. We expect competition to continue to intensify in the future. It is possible that in future there may be consolidation in the market, amongst the smaller market participants, between smaller participants and larger participants, or between the larger participants. Any such consolidation may create stronger competitors in the market overall, and/or leave us at a competitive disadvantage.

We face competition from other mutual fund platform providers, who cater to the need of MFDs. We also face competition from the wealth management arms of several market participants, including established Indian and foreign banks, private banks and dedicated wealth management companies. We also compete with a large number of MFDs as a consequence of the fragmented wealth management market in India. Large and integrated banks also compete with us, who have a wide geographical reach which offer a variety of financial services and enables them to leverage their existing platforms and services to cross-sell their wealth management services.

Further, with the rise in the use of technology, we and MFDs associated with us may face competition from new entrants in the industry who may leverage technology to provide products and services similar to us or which our clients prefer over services provided by us. If such newer entrants or existing participants, especially direct distribution platforms are able to leverage their existing competencies to attract greater numbers of end customers, MFDs associated with us may lose end customers to such competitors. This would impact the revenues and AUM available with MFDs associated with our platform, in turn impacting our revenues, growth prospects and results of operations. For further details, see "*Risk Factors – Competition from existing and new market participants in our line of business may affect our market share, or results of operations*" on page 34 and "*Our Business – Competition*" on page 159.

Significant Accounting Policies

The preparation of restated consolidated statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

i. Depreciation / amortisation and Useful life of property, plant and equipment and Intangible Assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

ii. Measurement of defined benefit obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii. Recognition and measurement of provisions and contingencies

The Group recognises a provision if it is probable that an outflow of cash or other economic resources will be required to settle the provision. If an outflow is not probable, the item is treated as a contingent liability. Risks and uncertainties are taken into account in measuring a provision.

iv. Recognition of deferred tax assets/liabilities

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies and future recoverability of deferred tax assets.

v. Impairment of financial assets

The Group recognises loss allowances for expected credit losses on its financial assets measured at amortised cost. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit- impaired. A financial asset is ‘credit impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

vi. Fair value Measurement

Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants. The Group’s accounting policies require, measurement of certain financial / non-financial assets and liabilities at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortised cost are required to be disclosed in the said restated consolidated statements.

The Group is required to classify the fair valuation method of the financial / non-financial assets and liabilities, either measured or disclosed at fair value in the standalone financial statements, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement). Accordingly, the Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the three levels of the fair-value-hierarchy are described below:

Level 1: Quoted (unadjusted) prices for identical assets or liabilities in active markets
Level 2: Significant inputs to the fair value measurement are directly or indirectly observable
Level 3: Significant inputs to the fair value measurement are unobservable.

A. Property, Plant and Equipment

Items of property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost is inclusive of freight, duties, taxes or levies (net of recoverable taxes) and any directly attributable cost of bringing the assets to their working condition for intended use.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Items of Property, Plant and Equipment that have been retired from active use and are held for disposal are stated at the lower of their net carrying amount and net realisable value and are shown separately in the financial statements. Any write-down in this regard is recognised immediately in the Consolidated Statement of Profit and Loss.

An item of Property, Plant and Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognised in the Consolidated Statement of Profit and Loss.

On transition to Ind AS, the Group has elected to apply Ind AS 16 Property, Plant and Equipment for various Property, Plant and Equipment from the date of acquisition.

Depreciable amount for assets is the cost of an assets less its estimated residual value. Based on management's evaluation, useful life prescribed in Schedule II of the Act represent actual useful life of Property, Plant and Equipment. Accordingly, the Group has used useful lives as mentioned in Schedule II of the Act to provide depreciation of different class of its Property, Plant and Equipment. The Group provides depreciation on reducing balance method as per the useful life mentioned in Schedule II of the Act.

On transition to Ind AS, as per Ind AS 101, the group has elected to continue with the carrying value of all of its property, plant and equipment measured as per the IGAAP as at March 31, 2019 as its deemed cost on the date of transition.

The estimated useful lives of Property, Plant and Equipment are as follows:

Class of assets	Useful Life (in years)
Building	60 Years
Office Equipment	5 Years
Furniture and Fixtures	5 to 10 Years
Computer Equipment	3 to 6 Years
Vehicles	8 Years

Out of the total assets, 4.91% of the assets are depreciated on straight line basis.

Depreciation on addition is being provided on pro rata basis from the date of such additions. Depreciation on asset sold, discarded, disabled or demolished during the year is being provided up to the date in which such assets are sold, discarded, disabled or demolished.

B. Intangibles assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Consolidated Statement of Profit and Loss.

On transition to Ind AS, as per Ind AS 101, the Company has elected to continue with the carrying value of all of its Intangible Assets measured as per the IGAAP as at March 31, 2019 as its deemed cost on the date of transition.

The estimated useful lives of intangible assets are as follows:

Class of assets	Useful Life (in years)
Software	5
Customer Folios	10

C. Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of non-financial assets, other than inventories and deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of such asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

Reversal of impairment losses recognised in earlier years is recorded when there is an indication that the impairment losses recognised for the asset/cash generating unit no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for that asset/cash generating unit in earlier years. Reversal of impairment loss is directly recognised in the standalone statement of Profit and Loss.

D. Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Restated Consolidated Statement of Profit and Loss in the period in which they are incurred.

E. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The financial instruments are recognised in the Restated Consolidated Balance Sheet when the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial instruments at initial recognition.

(1) Initial Recognition and Measurements

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

Where the fair value of a financial asset or financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Restated Consolidated Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Consolidated Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial assets or financial liability.

Trade receivables that do not contain a significant financing component are measured at transaction price.

(2) Subsequent Measurements

(a) Financial Assets

For purposes of subsequent measurement, financial assets are classified based on assessment of business model in which they are held. This assessment is done for portfolio of the financial assets. The relevant categories are as below:

(i) At amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL):

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) At fair value through Other comprehensive income ("FVTOCI")

A financial asset is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) At fair value through profit and loss ("FVTPL")

Financial assets which are not measured at amortised cost and are held for trading are measured at FVTPL. Fair value changes related to such financial assets are recognised in the Restated Consolidated Statement of Profit and Loss.

Based on the Group's business model, the Group has classified its securities heldfor trade and Investment in Mutual Funds at FVTPL.

(iv) Investment in Equity Instruments

Equity investments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For equity instruments other than held for trading, the Group has irrevocable option to present in Other Comprehensive Income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Group classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts of profit or loss from OCI to Statement of Profit and Loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Restated Consolidated Statement of Profit and Loss.

(v) Impairment of Financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the Group applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Expected credit losses rate the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

(vi) Derecognition of Financial Assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Restated Consolidated Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Restated Consolidated Statement of Profit and Loss on disposal of that financial asset.

(b) Financial Liabilities

All financial liabilities of the Group are subsequently measured at amortized cost using the effective interest method or at FVTPL.

(i) At amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Restated Consolidated Statement of Profit and Loss.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

(ii) At Fair Value through Profit and Loss

A financial liability may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

- the financial liability whose performance is evaluated on a fair value basis, in accordance with the Group's documented risk management.

Fair value changes related to such financial liabilities are recognised in the Restated Consolidated Statement of Profit and Loss.

(iii) Derecognition of Financial Liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Restated Consolidated Statement of Profit and Loss.

(iv) Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset when the Group has a legally enforceable right (not contingent on future events) to off-set the recognised amounts either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(3) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument as per the relevant accounting standard.

Ordinary shares are classified as Equity when the Group has an un-conditional right to avoid delivery of cash or another financial asset, that is, when the dividend and repayment of capital are at the sole and absolute discretion of the Group and there is no contractual obligation whatsoever to that effect.

(4) Derivative Financial instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The resulting gain or loss is recognised in Restated Consolidated Statement of Profit and Loss immediately.

F. Foreign currency transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions. Monetary assets and liabilities outstanding at the year-end are translated at the rate of exchange prevailing at the year-end and the gain or loss, is recognised in the Restated Consolidated Statement of Profit and Loss.

Foreign currency monetary items (other than derivative contracts) of the Group, outstanding at the Restated Consolidated Balance Sheet date are restated at the year-end rates. Non-monetary items of the Group are carried at historical cost.

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Group are recognised as income or expense in the Restated Consolidated Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

G. Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation

Revenue from contracts with customers is recognised when control of the services are transferred to the customer which can be either at a point in time or over time, at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services.

Revenue recognized are exclusive of goods and service tax, stamp duties and other levies by Security Exchange Board of India (SEBI) and exchanges.

The Group recognises revenue from the following major sources:

(i) Commission and Fees Income from distribution of financial products (i.e. Mutual Funds, Bonds, Fixed Deposits, Non-convertible Debentures, Insurance products, etc.)

(ii) Brokerage Income from stock broking business.

(iii) Commission Income from Sale of Properties

Commission and Fees Income relating to Distribution of Financial Products: Fees on distribution services are recognized at a point in time when the service obligations are completed and when the terms of contracts are fulfilled.

Commission and Fees Income relating to Stock Broking: Revenue from contract with customer is recognised point in time when performance obligation is satisfied. Income from broking activities is accounted for on the trade date of transactions.

Commission Income from Sale of Properties: Brokerage income from sale of non-financial properties is recognisedat the point the sale when the performance obligation which gives rise to the commission income is satisfied and when the right to receive the income is established. The date of the agreement is considered as point in time when the performance obligation is satisfied.

Revenues in excess of invoicing are classified as contract assets (referred to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred to as income received in advance or unearned revenue).

Interest Income

Interest income on financial assets is recognised using the Effective Interest Rate (EIR) method. The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument.

Dividend Income

Dividend income is recognised when the right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

H. Employees Benefit

Employee benefits include short term employee benefits, provident fund, employee's state insurance, gratuity and compensated absences.

Short term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Group recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Defined Contribution Plan

The Group's contribution to Provident Fund and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. The Group does not carry any further obligations, apart from the contributions made on a monthly basis.

Defined Benefit Plan

The Group provides for the gratuity, a defined benefit plan (the "**Gratuity Plan**") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment, and is unfunded. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Remeasurements of the net defined benefit liability comprising actuarial gains and losses (excluding amounts included in net interest on the net defined benefit liability), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Restated Consolidated Statement of Profit and Loss in the subsequent periods.

Long-term employee benefits

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits and is unfunded. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Restated Consolidated Statement of Profit and Loss in the year in which they arise.

I. Current and deferred tax

Tax on Income comprises current and deferred tax.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the reporting period in accordance with the Income-tax Act, 1961 enacted in India and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is also recognised in respect of carried forward tax losses and tax credits subject to the assessment of reasonable certainty of recovery. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Deferred tax relating to items recognised outside the Restated Consolidated Statement of Profit and Loss is recognised outside with the underlying items i.e. either in the statement of other comprehensive income or directly in equity as relevant.

J. Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the Consolidated Balance Sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Restated Consolidated Statement of Profit and Loss net of any reimbursement. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

K. Leases: Right-of-use assets and Lease liabilities

(i) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use assets ("**RoU Assets**") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (i) Impairment of non-financial assets.

(ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The Company as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group’s net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

L. Cash and Cash Equivalents

Cash and cash equivalents in the Restated Consolidated Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents for the purpose of Restated Statement of Cash Flow comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less.

M. Earning per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

N. Dividend on Ordinary Shares

The Group recognizes a liability to make cash or non-cash distributions to equity holders of the Group when the distribution is authorized and the distribution is no longer at the discretion of the Group. As per the Act, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

O. Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("**CODM**") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108 - Operating Segments, the CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

P. Cash flow statement

Cash flows are reported using the indirect method, whereby net profits before tax es adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the Group are segregated based upon the available information.

Summary of our Results of Operations

The following table sets forth selected financial data from our restated statement of profit and loss account for the nine months ended December 31, 2021 and Fiscals 2021, Fiscal 2020 and Fiscal 2019:

	Particulars	For the nine months ended December 31, 2021 (₹ in million)	% of Total Revenue (%)	For the year ended March 31, 2021 (₹ in million)	% of Total Revenue (%)	For the year ended March 31, 2020 (₹ in million)	% of Total Revenue (%)	For the year ended March 31, 2019 (₹ in million)	% of Total Revenue (%)
	Revenue From Operations								
I	Commission and Fees Income	3,140.71	95.75	2,775.58	94.12	2,293.11	97.08	2,153.68	95.69
II	Interest Income	31.52	0.96	33.03	1.12	47.81	2.02	64.80	2.88
III	Net gain on fair value changes	39.98	1.22	56.46	1.91	7.41	0.31	1.36	0.06
	Total revenue from operations	**3,212.21**	**97.93**	**2,865.07**	**97.16**	**2,348.33**	**99.41**	**2,219.84**	**98.63**
IV	Other Income	67.77	2.07	83.89	2.84	13.87	0.59	30.74	1.37
V	**Total Income (I) + (II) + (III) + (IV)**	**3,279.98**	**100.00**	**2,948.96**	**100.00**	**2,362.20**	**100.00**	**2,250.58**	**100.00**
VI	**Expenses:**								
	Commission and Fees Expenses	1,768.94	53.93	1,530.60	51.90	1,204.67	51.00	1,250.23	55.55
	Employee benefits expenses	483.09	14.73	555.08	18.82	489.22	20.71	431.63	19.18
	Finance Costs	18.91	0.58	16.56	0.56	26.79	1.13	30.85	1.37
	Impairment on Financial Instruments	(0.76)	(0.02)	20.39	0.69	11.80	0.50	(9.82)	-0.44
	Depreciation and amortisation expenses	86.90	2.65	81.19	2.75	79.46	3.36	76.23	3.39
	Other Expenses	145.98	4.45	139.90	4.74	175.93	7.45	165.75	7.36
	Total Expenses (VI)	**2,503.06**	**76.31**	**2,343.72**	**79.48**	**1,987.86**	**84.15**	**1,944.87**	**86.42**
VII	**Restated profit before exceptional items and tax (V) – (VI)**	**776.92**	**23.69**	**605.24**	**20.52**	**374.34**	**15.85**	**305.71**	**13.58**
VIII	Exceptional item	-	-	-	-	-	-	19.18	0.85
IX	**Restated profit before tax (after exceptional items)**	**776.92**	**23.69**	**605.24**	**20.52**	**374.34**	**15.85**	**286.53**	**12.73**

	Particulars	For the nine months ended December 31, 2021 (₹ in million)	% of Total Revenue (%)	For the year ended March 31, 2021 (₹ in million)	% of Total Revenue (%)	For the year ended March 31, 2020 (₹ in million)	% of Total Revenue (%)	For the year ended March 31, 2019 (₹ in million)	% of Total Revenue (%)
X	Tax Expense / (Benefit)								
	Current Tax	175.76	5.36	156.89	5.32	109.93	4.65	97.56	4.34
	Deferred Tax	24.88	0.76	(4.62)	(0.16)	(14.12)	(0.60)	(21.22)	(0.94)
	Total Tax Expenses (X)	**200.64**	**6.12**	**152.27**	**5.16**	**95.81**	**4.06**	**76.34**	**3.39**
XI	**Restated Profit after tax for the year (IX) – (X)**	**576.28**	**17.57**	**452.97**	**15.36**	**278.53**	**11.79**	**210.19**	**9.34**
XII	Restated Other Comprehensive Income								
	(i) Items that will not be reclassified to profit or loss								
	(a) Re-measurement of the defined benefit plans	(2.16)	(0.07)	1.18	0.04	(6.12)	(0.26)	(2.03)	(0.09)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.55	0.02	(0.30)	(0.01)	1.25	0.05	0.59	0.03
	Total Other comprehensive income/(loss) (XII)	**(1.61)**	**(0.05)**	**0.88**	**0.03**	**(4.87)**	**(0.21)**	**(1.44)**	**(0.06)**
	Total Comprehensive Income for the year (XI) +/- (XII)	**574.67**	**17.52**	**453.85**	**15.39**	**273.66**	**11.59**	**208.75**	**9.28**

Components of Income and Expenditure

Income

Our total income comprises of revenue from operations and other income. We generate majority of our income from commission and fees income from distribution of mutual funds, distribution of insurance products and stock broking and allied services.

Revenue from Operations

Revenue from operations comprises of (i) commission and fees income, (ii) interest income and (iii) net gain on fair value changes.

The following table sets out the break-up of revenue from operations and as a percentage of revenue from operations for the periods indicated:

Particulars	For the nine months ended December 31, 2021 (₹ in million)	% of total Revenue from Operations (%)	For the year ended March 31, 2021 (₹ in million)	% of total Revenue from Operations	For the year ended March 31, 2020 (₹ in million)	% of total Revenue from Operations	For the year ended March 31, 2019 (₹ in million)	% of total Revenue from Operations
Commission and Fees Income								
Distribution of mutual fund	2,713.88	84.49	2,312.93	80.73	1,955.87	83.29	1,956.98	88.16

Particulars	For the nine months ended December 31, 2021 (₹ in million)	% of total Revenue from Operations (%)	For the year ended March 31, 2021 (₹ in million)	% of total Revenue from Operations	For the year ended March 31, 2020 (₹ in million)	% of total Revenue from Operations	For the year ended March 31, 2019 (₹ in million)	% of total Revenue from Operations
products								
Distribution of insurance products	233.69	7.28	263.65	9.20	170.35	7.25	4.03	0.18
Stock broking and allied services	151.92	4.73	162.94	5.69	136.76	5.82	162.86	7.34
Other financial and non-financial products	41.22	1.28	36.06	1.26	30.13	1.28	29.81	1.34
Sub-Total	**3,140.71**	**97.77**	**2,775.58**	**96.88**	**2,293.11**	**97.64**	**2,153.68**	**97.02**
Interest Income	31.52	0.98	33.03	1.15	47.81	2.04	64.80	2.92
Net gain on fair value changes	39.98	1.24	56.46	1.97	7.41	0.32	1.36	0.06
Total Revenues from operations	**3,212.21**	**100.00**	**2,865.07**	**100.00**	**2,348.33**	**100.00**	**2,219.84**	**100.00**

Other Income

Other income includes (i) interest income on financial assets, (measured at amortised cost), which comprise, amongst others, deposits with banks, loans to employees (ii) net gain on financial instruments measured at FVTPL, (iii) dividend income (iv) profit on sale of property, plant and equipments and (v) miscellaneous income.

Expenditure

Our expenses comprise of (i) commission and fees expenses, (ii) employee benefits expense, (ii) finance costs, (iii) impairment on financial instruments, (iv) depreciation and amortisation expense, and (v) other expenses.

Commission and fee expense

Our commission and fee expenses comprise of expenses towards (i) commission payable to Distributors for distribution of financial products (ii) brokerage commission on stock broking and allied products

Employee Benefit expenses

Employee benefit expenses comprises of (i) salaries, wages and bonus, (ii) contribution to provident fund and other fund, (iii) compensated absence expense (iv) gratuity and (v) staff welfare expenses.

Finance Costs

Finance cost includes interest expenses on financial liabilities at amortised cost such as term loans, lease liabilities, bank charges and other borrowing costs.

Impairment on Financial Instruments

Impairment on financial instruments include impairment on trade receivables and margin maintained by our Subsidiary PBSPL in its capacity as a trading member maintained with IL&FS Securities Services Ltd ("**ISSL**") in respect of ISSL acting as the Company's Clearing Member for Derivative Segment. As a part of the agreement entered into with ISSL, PBSPL had to place margins with ISSL for trading member's client open positions. As at year end March 2019, this margin amount placed by PBSPL with ISSL amounted to ₹ 21.39 million. In July 2019, NSE disabled the terminals of ISSL citing shortfalls in payments by ISSL which resulted in the trading members not being able to place trades for its clients. Considering the IL&FS crisis, PBSPL has obtained NOC from ISSL and appointed Axis Bank Limited as its clearing member. Subsequently, PBSPL has sought refund of the amounts deposited with ISSL. Considering the facts of the case, during financial year 2020-21, the management of PBSPL has concluded that receivable amounting upto ₹ 21.39 million should be provided as impairment allowances. For further details, see "*Outstanding Litigation and Other Material Developments*" on page 298.

Depreciation and Amortization expenses

Depreciation and amortization expenses primarily include depreciation expenses on our buildings, computers, furniture and fixtures, office equipment and vehicles and amortization expenses on our intangibles and right of use assets.

Other expenses

Other expenses include (i) business promotion expenses, (ii) postage and communication expenses, (iii) repair and maintenance expenses, (iv) legal and professional expenses, (v) commission and sitting fees to Directors, (vi) electricity expenses, (vii) office expenses, (viii) bad debts, (ix) traveling and conveyance expenses, (x) insurance expenses, (xi) auditor's remuneration, (xii) rates and taxes, (xiii) CSR Expenditure, (xiv) Printing & Stationary (xv) Rent, (xvi) Provision for Contingencies, (xvii) Loss on sale of Property, Plant and Equipment (xviii) Membership and subscription and (xix) miscellaneous expenses.

Nine months ended December 31, 2021

Income

Revenue from operations:

Our overall revenue from operations for the nine months ended December 31, 2021 was ₹ 3,212.21 million. The constituents of our revenue from operations were as follows:

Commission and Fees Income

Our commission and fees income from distribution of mutual fund products for nine months ended December 31, 2021 was ₹ 2,713.88 million, which was mainly due to increase in the number of MFDs joining our platform which resulted in more retail investors and an increase in SIP book supported by our digital platform.

Our commission and fees income from distribution of insurance products for the nine months ended December 31, 2021 was ₹ 233.69 million.

Our commission and fees income from stock broking and allied services for the nine months ended December 31, 2021 was ₹ 151.92 million which was due to an increase in volume, new client addition and larger participation of clients.

Our commission and fees income from distribution of other financial products like fixed deposits, bonds, portfolio management schemes, alternate investment funds, structured products and non-financial products for nine months ended December 31, 2021 was ₹ 41.22 million due to increase in volume and larger participation of clients.

Interest Income

Our interest income for the nine months ended December 31, 2021 was ₹ 31.52 million which was due to interest earned on delayed payments from customers in stock broking business amounting to ₹ 16.61 million and interest on deposits and margins maintained with stock exchanges amounting to ₹ 14.85 million.

Net gain on fair value changes

Our net gain on fair value changes which comprises an income on account of dealing in unlisted equity and bonds stood at ₹ 39.98 million for nine months ended December 31, 2021. Net gain on fair value changes included realised gain of ₹ 36.82 million and unrealised gain of ₹ 3.16 million for the period.

Other income

Other income for the nine months ended December 31, 2021 was ₹ 67.77 million comprising of net gain on financial instruments measured at FVTPL amounting to ₹ 58.84 million, interest income on financial assets measured at amortised cost on others amounting to ₹ 5.34 million comprising of interest on bonds and interest free deposits and miscellaneous income amounting to ₹ 2.81 million.

Expenditure

Commission and Fees expenses

Commission and fees expenses for the nine months ended December 31, 2021 stood at ₹ 1,768.94 million, which is commensurate with an increase in the scale of our operations.

Employee benefit expenses

Employee benefit expenses for the nine months ended December 31, 2021 was ₹ 483.09 million which primarily constituted of expenses towards salaries, wages and bonus of ₹ 462.64 million including performance appraisal of employees and variable incentive payable to employees during the period, compensated absence expense of ₹ 5.97 million, contribution to provident funds and other funds amounting to ₹ 5.45 million and gratuity expenses amounting to ₹ 6.76 million during the period.

Finance costs

Finance costs for the nine months ended December 31, 2021 was ₹ 18.91 million consisting of interest expense on term loans amounting to ₹ 8.43 million, lease liabilities of ₹ 7.72 million, bank charges and other borrowing costs amounting to ₹ 1.89 million and other costs of ₹ 0.87 million.

Impairment on financial instruments

Our expenses towards impairment on financial instruments measured at amortised cost for the nine months ended December 31, 2021 was ₹ (0.76) million

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses for the nine months ended December 31, 2021 was ₹ 86.90 million consisting of amortisation of right-of-use assets being office premises of ₹ 39.46 million, depreciation on property, plant and equipment of ₹ 19.54 million and amortisation of intangible assets in the nature of customer folios of the KSBL and miscellaneous computer software amounting to ₹ 27.90 million.

Other expenses

Other expenses for the nine months ended December 31, 2021 was ₹ 145.98 million consisting primarily of business promotion expenses of ₹ 45.09 million, miscellaneous expenses of ₹ 10.39 million, postage and communication expenses of ₹ 12.84 million, repair and maintenance charges towards vehicles, annual maintenance contracts for our computer systems, electrical equipment, etc. of ₹ 12.33 million, legal and professional expenses of ₹ 16.27 million and electricity expenses of ₹ 6.28 million.

Restated Profit before tax

For the reasons discussed above, profit before tax for the nine months ended December 31, 2021 was ₹ 776.92 million.

Tax expenses / (Benefit)

Our total tax expenses for the nine months ended December 31, 2021 was ₹ 200.64 million consisting of current tax expenses of ₹ 175.76 million and deferred tax expenses of ₹ 24.88 million. Our deferred tax expenses have increased mainly on account of difference in amortization rate as per the Companies act and Income tax act for Customer Folios of KSBL.

Restated profit for the year

Primarily due to the reasons discussed above, our profit for the nine months ended December 31, 2021 was ₹ 576.28 million.

Total comprehensive income attributable to the owners of the Company for the year

Our total comprehensive income attributable to the owners of the Company for the nine months ended December 31, 2021 was ₹ 574.67 million

Fiscal 2021 compared to Fiscal 2020

Income

Revenue from operations:

Our overall revenue from operations increased to ₹ 2,865.07 million for Fiscal 2021 from ₹ 2,348.33 million for Fiscal 2020, representing an increase of 22.00%. This increase in our revenue from operations can be attributed to the following reasons:

Commission and Fees Income

Our commission and fees income from distribution of mutual fund products increased to ₹ 2,312.93 million for Fiscal 2021 from ₹ 1,955.87 million for Fiscal 2020, representing an increase of 18.26% due to increase in continued operations on our digital platform during the COVID-19 pandemic and stable inflows from our SIP book, with the number of SIPs increasing from 997,533 as of March 31, 2020 to 1,026,102 as of March 31, 2021.

Our commission and fees income from distribution of insurance products increased to ₹ 263.65 million for Fiscal 2021 from ₹ 170.35 million for Fiscal 2020, representing an increase of 54.77%, due to increase in the number of policies distributed to 86,988 in Fiscal 2021 from 68,036 policies in Fiscal 2020.

Our commission and fees income from stock broking and allied services increase to ₹ 162.94 million for Fiscal 2021 from ₹ 136.76 million for Fiscal 2020, representing an increase of 19.14%, due to an increase in volume, new client addition and larger participation of clients.

Our commission and fees income from distribution of other financial products like fixed deposits, bonds, portfolio management schemes, alternate investment funds, structured products and non-financial products increased to ₹ 36.06 million for Fiscal 2021 from ₹ 30.13 million for Fiscal 2020 representing an increase of 19.68% due to increase in volume and larger participation of clients.

Interest Income

Our interest income decreased to ₹ 33.03 million for Fiscal 2021 from ₹ 47.81 million for Fiscal 2020, representing a decrease of 30.91%, due to reduction in the interest earned on delayed payments from customers in stock broking business.

Net gain on fair value changes

Our net gain on fair value changes which comprises an income on account of dealing in unlisted equity and bonds increased to ₹ 56.46 million for Fiscal 2021 from ₹ 7.41 million for Fiscal 2020, representing an increase of 661.94%, primarily due to increase in number of deals. Net gain on fair value changes include realised gain of ₹ 55.26 million and unrealised gain of ₹ 1.20 million in Fiscal 2021 and realised gain ₹ 20.69 million and unrealised loss of ₹ 13.28 million in Fiscal 2020.

Other income

Other income increased to ₹ 83.89 million for Fiscal 2021 from ₹ 13.87 million for Fiscal 2020, representing an increase of 504.83%. This increase in other income was primarily due to net gain on financial instruments measured at FVTPL increasing to ₹ 76.10 million for Fiscal 2021 as compared to ₹ 8.49 million for Fiscal 2020.

Expenditure

Commission and Fees expenses

Commission and fees expenses increased to ₹ 1,530.60 million for Fiscal 2021 from ₹ 1,204.67 million for Fiscal 2020, representing an increase of 27.06%, which is commensurate with an increase in the scale of our operations and partly due to regulatory changes in the previous year due to adoption of full trail model in the Mutual Fund industry

Employee benefit expenses

Employee benefit expenses increased to ₹ 555.08 million for Fiscal 2021 from ₹ 489.22 million for Fiscal 2020, representing an increase of 13.46%, which was primarily on account of an increase in our expenses towards salaries, wages and bonus to ₹ 526.01 million for Fiscal 2021 from ₹ 466.66 million for Fiscal 2020, which was due to performance appraisal of employees and variable incentive paid to employees during Fiscal 2021.

Finance costs

Finance costs decreased by ₹ 10.23 million to ₹ 16.56 million for Fiscal 2021 from ₹ 26.79 million for Fiscal 2020. This decrease in our finance costs was primarily due to lower utilisation of borrowed funds in Fiscal 2020.

Impairment on financial instruments

Our expenses towards impairment on financial instruments increased by ₹ 8.59 million to ₹ 20.39 million for Fiscal 2021 from ₹ 11.80 million for Fiscal 2020. This increase was due to a one-time impairment allowance of ₹ 21.39 million by the management of PBSPL, which was receivable from ISSL and in relation to which PBSPL is currently engaged in certain disputes. For further details see "*Risk Factors– There is outstanding litigation against our Company and our Subsidiaries, which if determined adversely, could affect our business and results of operations*" and "*Outstanding Litigation and Other Material Developments*" on pages 39 and 298, respectively.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses increased by ₹ 1.74 million to ₹ 81.19 million for Fiscal 2021 from ₹ 79.46 million for Fiscal 2020, representing an increase of 2.18%, primarily on account of increase in amortisation of right-of-use assets, being office premises to ₹ 48.59 million for Fiscal 2021 from ₹ 45.65 million for Fiscal 2020 as offset by a decrease of ₹ 1.29 million towards depreciation on property, plant and equipment to ₹ 30.20 million for Fiscal 2021 from ₹ 31.49 million for Fiscal 2020.

Other expenses

Other expenses decreased by ₹ 36.02 million to ₹ 139.90 million for Fiscal 2021 from ₹ 175.92 million for Fiscal 2020, representing a decrease of 20.48%, mainly due to cost reduction during COVID-19 pandemic. The lockdown during the COVID-19 pandemic, resulted in: (i) decline in business promotion and marketing expenses by ₹ 20.61 million on account of lower expenses incurred in connection with on-ground promotional and cost related to events for MFDs and clients, and (ii) decreased electricity expenses of ₹ 2.03 million over Fiscal 2020 (iii) decreased office expenses of ₹ 1.73 million and (iv) decrease in miscellaneous expenses of ₹ 18.19 million over Fiscal 2020.

Restated Profit before tax

For the reasons discussed above, profit before tax increased by 61.68% to ₹ 605.24 million in Fiscal 2021 compared to ₹ 374.34 million in Fiscal 2020.

Tax expenses / (Benefit)

Our total tax expenses increased by ₹ 56.46 million to ₹ 152.27 million for Fiscal 2021 from ₹ 95.81 million for Fiscal 2020. Our current tax increased by ₹ 46.96 million to ₹ 156.89 million for Fiscal 2021 from ₹ 109.93 million for Fiscal 2020. Our deferred tax expenses decreased by ₹ 9.50 million to ₹ (4.62) million for Fiscal 2021 from ₹ (14.12) million for Fiscal 2020 mainly due to adoption of the new tax rate of 22% plus applicable surcharge and cess in terms of the Taxation Law (Amendment) Ordinance, 2019.

Restated profit for the year

Primarily due to the reasons discussed above, our profit for the year increased by ₹ 174.44 million or 62.63% to ₹ 452.97 million for Fiscal 2021 from ₹ 278.53 million for Fiscal 2020.

Total comprehensive income attributable to the owners of the Company for the year

Our total comprehensive income attributable to the owners of the Company for the year was ₹ 453.85 million for Fiscal 2021 from ₹ 273.66 million for Fiscal 2020.

Fiscal 2020 compared to Fiscal 2019

Revenue from operations

Revenue from operations

Our overall revenue from operations increased to ₹ 2,348.33 million for Fiscal 2020 from ₹ 2,219.84 million for Fiscal 2019, representing an increase of 5.79%. This increase in our revenue from operations can be attributed to the following reasons:

Commission and Fees Income

Our commission and fees income from distribution of mutual fund products decreased marginally to ₹ 1,955.87 million for Fiscal 2020 from ₹ 1,956.98 million for Fiscal 2019, representing a decrease of 0.06% due to the migration of the mutual fund industry to a no upfront, full trail model and rationalisation of TER charged by AMCs with effect from April 2019.

Our commission and fees income from distribution of insurance products increased to ₹ 170.35 million for Fiscal 2020 from ₹ 4.03 million for Fiscal 2019 as we acquired Gennext on April 3, 2019. Fiscal 2020 was the first full year of operations for our insurance products vertical.

Our commission and fees income from stock broking and allied services decreased to ₹ 136.76 million for Fiscal 2020 from ₹ 162.86 million in Fiscal 2019, representing a decrease of 16.03%.

Our commission and fees income from distribution of other financial and non-financial products increased to ₹ 30.13 million in Fiscal 2020 from ₹ 29.81 million in Fiscal 2019, representing an increase of 1.08%, which was in line with a growth in our operations.

Interest Income

Our interest income decreased to ₹ 47.81 million for Fiscal 2020 from ₹ 64.80 million for Fiscal 2019, representing a decrease of 26.22%, due to a reduction in the interest earned on delayed payments from customers to ₹ 36.05 million in Fiscal 2020 from ₹ 52.20 million in Fiscal 2019.

Net gain on fair value changes

Our net gain on fair value changes which comprises an income on account of dealing in unlisted equity and bonds increased to ₹ 7.41 million for Fiscal 2020 from ₹ 1.36 million for Fiscal 2019, representing an increase of 443.48%, primarily due to increase in number of transactions and launch of unlisted equity as a product. Net gain on fair value changes include realised gain of ₹ 20.69 million and unrealised mark-to-market loss of ₹ 13.28 million in Fiscal 2020 and realised gain ₹ 2.08 million and unrealised mark-to-market loss of ₹ 0.72 million in Fiscal 2019

Other income

Other income decreased to ₹ 13.87 million for Fiscal 2020 from ₹ 30.74 million for Fiscal 2019, representing a decrease of 54.88%. This decrease in other income was primarily due to net gain on financial instruments measured at FVTPL decreasing to ₹ 8.49 million for Fiscal 2020 as compared to ₹ 23.72 million for Fiscal 2019.

Expenditure

Commission and Fees expenses

Commission and fees expenses decreased to ₹ 1,204.67 million for Fiscal 2020 from ₹ 1,250.23 million for Fiscal 2019, representing a decrease of 3.64%, which was mainly due to migration of the mutual fund industry to a no upfront, full trail model and rationalisation of TER charged by AMCs with effect from April 2019.

Employee benefit expenses

Employee benefit expenses increased to ₹ 489.22 million for Fiscal 2020 from ₹ 431.63 million for Fiscal 2019, representing an increase of 13.34%, which was primarily on account of an increase in our expenses towards salaries, wages and bonus to ₹ 466.66 million for Fiscal 2020 from ₹ 416.20 million for Fiscal 2019, which was in line with our increase in employee strength to 954as at March 31, 2020 from 891 as at March 31, 2019.

Finance costs

Finance costs decreased by ₹ 4.06 million to ₹ 26.79 million for Fiscal 2020 from ₹ 30.85 million for Fiscal 2019. This decrease in our finance costs was primarily due to lower utilisation of borrowed funds.

Impairment on financial instruments

Our expenses towards impairment on financial instruments increased by ₹ 21.62 million to ₹ 11.80 million for Fiscal 2020 from ₹ (9.82) million for Fiscal 2019. This increase was mainly due to provisioning of expected credit loss (ECL) on trade receivables of stock broking clients at the end of Fiscal 2020 as per adopted accounting policies

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses increased by ₹ 3.23 million to ₹ 79.46 million for Fiscal 2020 from ₹ 76.23 million for Fiscal 2019, representing an increase of 4.23%, primarily on account of increase in amortisation of right-of-use assets, being office premises to ₹ 45.65 million for Fiscal 2020 from ₹ 31.14 million for Fiscal 2019 as offset by a decrease of ₹ 11.24 million towards depreciation on property, plant and equipment to ₹ 31.49 million for Fiscal 2020 from ₹ 42.73 million for Fiscal 2019.

Other expenses

Other expenses increased by ₹ 10.17 million to ₹ 175.92 million for Fiscal 2020 from ₹ 165.75 million for Fiscal 2019, representing an increase of 6.14%, mainly from an increase in business promotion expenses to ₹ 54.21 million for Fiscal 2020 from ₹ 27.76 million for Fiscal 2019 as offset by a decrease in rent expenses of ₹ 6.42 million over Fiscal 2019 and reduction in bad debts of ₹ 18.78 million over Fiscal 2019.

Restated Profit before exceptional items and tax

For the reasons discussed above, profit before exceptional items and tax increased by 22.45 % to ₹ 374.34 million in Fiscal 2020 compared to ₹ 305.71 million in Fiscal 2019.

Exceptional items

In Fiscal 2019, on account of adverse development in IL&FS Ltd, the management has assessed that it would be prudent to provide for its investment of ₹ 10.00 million in Non-Convertible Redeemable Preference Shares of IL&FS Limited to the market value of the securities, being ₹ 0.98 million. Accordingly, the provision amount of ₹ 9.02 million has been recognized as an exceptional item in the Restated Consolidated Statement of Profit and Loss in Fiscal 2019. Subsequently, as there is no positive development, Group has made provision of ₹ 0.84 million and ₹ 0.14 million in Fiscal 2020 and Fiscal 2021, respectively.

Further, during Fiscal 2019, the Company sold its investment in its subsidiary Prudent Fintrade Private Limited at a sale consideration of ₹ 0.10 million. The resultant loss on sale of such investment amounting to ₹ 10.16 million has been disclosed as an exceptional item in Fiscal 2019.

Tax expenses / (Benefit)

Our total tax expenses increased by ₹ 19.47 million to ₹ 95.81 million for Fiscal 2020 from ₹ 76.34 million for Fiscal 2019. Our current tax increased by ₹ 12.37 million to ₹ 109.93 million for Fiscal 2020 from ₹ 97.56 million for Fiscal 2019. Our deferred tax expenses decreased by ₹ 7.10 million to ₹ (14.12) million for Fiscal 2020 from ₹ (21.22) million for Fiscal 2019 mainly due to application of new income tax rate of 22% plus applicable surcharge and cess from September 2019, leading to a reduction in the tax rate from 29.12% for Fiscal 2019 to 25.17% for Fiscal 2020.

Restated profit for the year

Primarily due to the reasons discussed above, our profit for the year increased by ₹ 68.34 million or 32.52% to ₹ 278.53 million for Fiscal 2020 from ₹ 210.19 million for Fiscal 2019.

Total comprehensive income attributable to the equity holder of the Company for the year

Our total comprehensive income attributable to the equity owners of the Company for the year was ₹ 273.66 million for Fiscal 2020 from ₹ 208.79 million for Fiscal 2019.

EBITDA

In evaluating our business, we consider and use EBITDA, a non-GAAP measure, as presented below as a supplemental measure to review and assess our operating performance. The presentation of this non-GAAP financial measure is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. EBITDA is not defined under Ind AS and is not presented in accordance with Ind AS. The non-GAAP financial measure has limitations as analytical tools. Further, the non-GAAP financial measure may differ from the similar information used by other companies, including peer companies, and hence its comparability may be limited. Therefore, EBITDA should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation.

We define EBITDA as restated profit for the period/year, adjusted to exclude (i) tax expense, (ii) other income, (iii) depreciation and amortization expense, (iv) finance costs, and (v) exceptional items.

We believe EBITDA helps us identify underlying trends in our business and facilitate evaluation of period-to-period operating performance of our operations by eliminating items that are variable in nature and not considered by us in the evaluation of ongoing operating performance, allowing comparison of our recurring core business operating results over multiple periods. We also believe EBITDA provides useful information about our operating results, enhance the overall understanding of our past performance and future prospects, and allow for greater transparency with respect to key metrics we use for financial and operational decision-making. We believe EBITDA is widely used by investors, securities analysts, ratings agencies, and other parties in evaluating companies in our industry as a measure of financial performance. Other companies may calculate EBITDA differently from the way we calculate these metrics. As a result, our presentation of EBITDA may not be comparable to similarly titled measures of other companies, limiting their usefulness as comparative measures.

The following table is a reconciliation of restated profit to EBITDA for the period/years indicated:

(₹ in million)

Particulars	**Nine months ended December 31, 2021**	**Fiscal 2021**	**Fiscal 2020**	**Fiscal 2019**
Profit for the year	576.28	452.97	278.53	210.19
Add: tax expense	200.64	152.27	95.81	76.34
Less: Other income	67.77	83.89	13.87	30.74
Add: Depreciation and amortisation expense	86.90	81.19	79.45	76.23
Add: Finance Cost	18.91	16.56	26.79	30.85
Add: Exceptional items	0.00	0.00	0.00	19.18
EBITDA	**814.96**	**619.10**	**466.71**	**382.05**

Liquidity and Capital Resources

As of December 31, 2021, our consolidated cash and cash equivalents were ₹ 321.90 million.

We fund our operations and capital requirements primarily through cash flows from operations. We expect that cash flow from operations will continue to be our principal sources of cash in the long term. Further, our business is asset light in nature and requires lesser amount of capital expenditure on a yearly basis. We evaluate our funding requirements periodically in light of our net cash flow from operating activities.

The following table sets forth our cash flows on a consolidated basis for the periods indicated:

(₹ in million)

Particulars	**Nine months ended December 31, 2021**	**Fiscal 2021**	**Fiscal 2020**	**Fiscal 2019**
Operating profit before working capital changes	813.93	610.58	458.68	401.52
Cash generated from operations	691.97	724.25	610.43	252.86
Direct Taxes (Paid)	(186.17)	(147.03)	(107.65)	(129.66)
Net cash generated from operating activities	505.80	577.22	502.78	123.20
Net cash used in investing activities	(1,388.46)	(276.71)	(47.65)	127.73
Net cash used in financing activities	211.24	(113.58)	(220.69)	(94.42)
Net increase / (decrease) in cash and cash equivalents	(671.42)	186.93	234.44	156.51
Cash and cash equivalen–s - Opening Balance	993.32	806.39	542.15	382.08

Particulars	Nine months ended December 31, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
Cash and cash equivalen–s - Closing Balance	321.90	993.32	806.39	542.15

Net cash flow from operating activities

Nine months ended December 31, 2021

Net cash generated from operating activities was ₹ 505.80 million for the nine months ended December 31, 2021. While our profit before tax and extraordinary items was ₹ 776.92 million for the nine months ended December 31, 2021, our operating profit before working capital changes stood at ₹ 813.93 million. This was primarily due to adjustments owing to depreciation and amortisation expenses of ₹ 86.90 million and finance costs of ₹ 18.91 million as adjusted for unrealised gain on securities held-for-trade measured at FVTPL of ₹ (3.16) million, net gain on financial instruments measured at FVTPL of ₹ (58.84) million and interest income of ₹ (6.02) million. Changes in working capital for the nine months ended December 31, 2021 primarily consisted of increase in trade receivables of ₹ (192.64) million, decrease in other financial assets of ₹ 16.24 million and a decrease in securities held for trade of ₹ 70.50 million as adjusted for an increase in trade payables of ₹ 196.48 million and an increase in other non-financial assets by ₹ (138.75) million. Further, this was adjusted by direct taxes paid (net) for ₹ (186.17) million.

Fiscal 2021

Net cash generated from operating activities was ₹ 577.22 million for Fiscal 2021. While our profit before tax and extraordinary items was ₹ 605.24 million for Fiscal 2021, our operating profit before working capital changes stood at ₹ 610.58 million. This was primarily due to adjustments owing to: depreciation and amortisation expenses of ₹ 81.19 million and impairment allowances for margin money of ₹ 21.39 million as adjusted for unrealised gain on securities held-for-trade measured at FVTPL of ₹ (1.20) million, net gain on financial instruments measured at FVTPL of ₹ (76.10) million and interest income of ₹ (39.96) million. Changes in working capital for Fiscal 2021 primarily consisted of increase in trade receivables of ₹ (295.83) million, decrease in other financial assets of ₹ 19.81 million and an increase in securities held for trade of ₹ (90.40) million as adjusted for an increase in trade payables of ₹ 419.13 million and a decrease in loans by ₹ 4.10 million. Further, this was adjusted by direct taxes paid (net) for ₹ (147.03) million.

Fiscal 2020

Net cash generated from operating activities was ₹ 502.78 million for Fiscal 2020. While our profit before tax and extraordinary items was ₹ 374.34 million for Fiscal 2020, our operating profit before working capital changes stood at ₹ 458.68 million. This was primarily due to adjustments owing to: depreciation and amortisation expenses of ₹ 79.46 million and impairment allowances for trade receivables of ₹ 11.80 million as adjusted for unrealised loss on securities held-for-trade measured at FVTPL of ₹ 13.28 million, net gain on financial instruments measured at FVTPL of ₹ (8.49) million and interest income of ₹ (52.00) million. Changes in working capital for Fiscal 2020 primarily consisted of decrease in trade receivables of ₹ 371.18 million, increase in other financial assets of ₹ (18.10) million and an increase in securities held for trade of ₹ (37.91) million as adjusted for a decrease in trade payables of ₹ (175.25) million. Further, this was adjusted by direct taxes paid (net) for ₹ (107.65) million.

Fiscal 2019

Net cash generated from operating activities was ₹ 123.20 million for Fiscal 2019. While our profit before tax and extraordinary items was ₹ 305.71 million for Fiscal 2019, our operating profit before working capital changes stood at ₹ 401.52 million. This was primarily due to adjustments owing to: depreciation and amortisation expenses of ₹ 76.23 million, finance cost of ₹ 30.85 million, bad debts of ₹ 28.76 million as adjusted for loss on disposal of a subsidiary, net gain on financial instruments measured at FVTPL of ₹ (14.70) million and interest income of ₹ (12.33) million. Changes in working capital for Fiscal 2019 primarily consisted of increase in trade receivables of ₹ (80.74) million, decrease in trade payables of ₹ (48.73) million and a decrease in other financial assets of ₹ 5.76million and a decrease in other non-financial liabilities by ₹ (22.32) million. Further, this was adjusted by direct taxes paid (net) for ₹ (129.66) million.

Net cash flow used in Investing Activities

Nine months ended December 31, 2021

Net cash used in investing activities was ₹ (1,388.46) million in the nine months ended December 31, 2021, which consisted of bank deposits and margin money withdrawn amounting worth ₹ 190.47 million, net purchase of investments amounting to ₹ (61.41) million and purchase of property, plant and equipment / intangible assets of ₹ (1,525.26) million towards acquisition of the KSBL MF Folios as offset by dividend income of ₹ 0.05 million, proceeds from sale of property, plant and equipment of ₹ 0.36 million and interest received on investments in bonds and fixed deposits of ₹ 7.33 million.

Fiscal 2021

Net cash used in investing activities was ₹ (276.71) million in Fiscal 2021, which consisted of bank deposits and margin money placed amounting worth ₹ (231.71) million, net purchase of investments amounting to ₹ (67.82) million and purchase of property, plant and equipment of ₹ (17.07) million as offset by dividend income of ₹ 0.02 million and interest received on investments in bonds and fixed deposits of ₹ 39.87 million.

Fiscal 2020

Net cash used in investing activities was ₹ (47.65) million in Fiscal 2020, which consisted of bank deposits and margin money placed amounting worth ₹ (55.30) million, net sale of investments amounting to ₹ 18.50 million and purchase of property, plant and equipment of ₹ (34.61) million as offset by dividend income of ₹ 0.17 million and payment of ₹ (22.65) million towards acquisition of our Subsidiary, Gennext and interest received on investment in bonds and fixed deposit of ₹ 46.24 million.

Fiscal 2019

Net cash generated from investing activities was ₹ 127.73 million in Fiscal 2019, which consisted of bank deposits and margin money withdrawn amounting worth ₹ 3.86 million, net sale of investments amounting to ₹ 190.34 million and purchase of property, plant and equipment of ₹ (44.47) million as offset by dividend income of ₹ 4.43 million and payment of ₹ (3.91) million towards acquisition of and payment towards acquisition of non controlling interest in Prudent Broking Services Private Limited of ₹ (31.71) million.

Net cash flow used in Financing Activities

Nine months ended December 31, 2021

Net cash used in financing activities in Fiscal 2021 was ₹ 211.24 million, which was due to repayment of borrowings of ₹ (456.00) million, repayment of lease liabilities amounting to ₹ (36.49) million and share issue expenses of ₹ (34.18) million finance which was offset by proceeds of borrowings amounting to ₹ 760.00 million.

Fiscal 2021

Net cash used in financing activities in Fiscal 2021 was ₹ (113.58) million, which was due to repayment of borrowings of ₹ (157.37) million, repayment of lease liabilities amounting to ₹ (42.98) million and finance costs paid of ₹ (17.15) million which was partially offset by proceeds of borrowings amounting to ₹ 106.50 million.

Fiscal 2020

Net cash used in financing activities in Fiscal 2020 was ₹ (220.69) million, which was due to repayment of borrowings of ₹ (1,037.30) million, repayment of lease liabilities amounting to ₹ (39.62) million and finance costs paid of ₹ (27.37) million which was partially offset by proceeds of borrowings amounting to ₹ 886.72 million.

Fiscal 2019

Net cash used in financing activities in Fiscal 2019 was ₹ (94.42) million, which was due to repayment of borrowings of ₹ (3.44) million, repayment of lease liabilities amounting to ₹ (26.36) million and finance costs paid of ₹ (31.02) million which was partially offset by proceeds of borrowings amounting to ₹ 11.64 million.

Contractual Obligations

The following table sets forth a maturity profile of our contractual obligations and commercial commitments as of December 31, 2021:

₹ in million

Particulars	Less than one Year	1-5 Years	More than 5 years	Total
Trade Payables	1,135.83	-	-	1,135.83
Borrowings	330.02	-	-	330.02
Lease liabilities	48.42	79.23	-	127.65
Other Financial Liabilities	31.67	-	-	31.67

The following table sets forth a maturity profile of our contractual obligations and commercial commitments as of March 31, 2021:

₹ in million

Particulars	Less than one Year	1-5 Years	More than 5 years	Total
Trade Payables	939.35	-	-	939.35
Borrowings	26.1	-	-	26.1
Lease liabilities	49.05	50.86	-	99.91
Other Financial Liabilities	25.23	-	-	25.23

Provisions and Contingent Liabilities

Provisions

Provisions are accounted for in respect of present obligations arising out of past events where it is probable that an outflow of resources will be required to settle the obligation and the amounts of which can be reliably estimated. Provisions are determined on the basis of best estimate of the outflow of economic benefits required to settle the obligation as at the date of the relevant balance sheet. Where no reliable estimate can be made, a disclosure is made as contingent liability.

Contingent liabilities

Except as set out below, there were no claims against the Company and its Subsidiaries not acknowledged as debt as on December 31, 2021:

₹ in million

Particulars	As at	As at	As at	As at
	December 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
(a) Contingent liabilities:				
Bank Guarantee with exchanges as margin requirements	199.00	199.00	29.00	73.00
Income tax matters*	53.85	-	-	-
Claim against the group not acknowledged as debt**	-	-	3.42	-
Total	**252.85**	**199.00**	**32.42**	**73.00**

* Includes - Income Tax Demand for A.Y. 2013-14 of Rs. 53.85 millions received on September 29, 2021 by Prudent Broking Services Private Limited (PBSPL), a subsidiary of PCASL. PBSPL has filed appeals against the said order with CIT (Appeals). Pending the resolution of the appeals, the Company has agreed for payment of Rs 5.00 millions till August 31, 2022 out of which it has deposited Rs. 1.00 million as first instalment on January 27, 2022. PBSPL has assessed that it is only possible, but not probable, that outflow of economic resources will be required. Further income tax notices u/s 148 for reopening assessment u/s 147 have been received for A.Y. 2014-15, A.Y. 2015-16, A.Y. 2016-17 and A.Y. 2017-18 on similar kind of matter and company has filed writ petition with Gujarat High Court for all these assessment years.

** Claim against Prudent Broking Services Private Limited ("**PBSPL**") not acknowledged as debt pertains to claims made by the client citing unauthorized trades had been placed by the PBSPL in the stock exchange. Pursuant to Orders by Arbitral Tribunal pertaining to legal proceedings against clients, the PBSPL has been asked to bear an amount of ₹ 6.85 million which has been paid under protest by the PBSPL and shown as "Amount Paid under Protest" (Refer Note 10 of the Restated Consolidated

Financial Information). Considering the facts of the case and the legal opinions, the PBSPL had made provision for 50% of the amount paid under protest amounting to ₹ 3.42 million in Fiscal 2019-20 and as the Company lost the legal case against client and there is no further prospects of recovery in case of client. Balance 50% amount i.e. ₹ 3.42 million is now written off during FY 2020-21.

Off-Balance Sheet Transactions

There are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

Related Party Transactions

We have engaged in the past, and may engage in the future, in transactions with related parties, including with our affiliates and certain key management members on an arm‘s lengths basis. Such transactions could be for provision of services, intercompany loans, lease or purchase of assets or property, sale or purchase of equity shares or entail incurrence of indebtedness. For details of our related party transactions, see the section, "*Other Financial Information – Related Party Transactions*" on page 262.

Quantitative and Qualitative Disclosures

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include foreign currency receivables, deposits, investments in mutual funds. Market risk exposures are measured using sensitivity analysis.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Our exposure to foreign currency risk is very limited and as at March 31, 2021, we have not taken any hedging instruments to hedge the foreign currency exposure.

Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk primarily arises from investments in debt oriented mutual funds and debt securities. Our investments in debt oriented mutual funds and debt securities are primarily short-term, which do not expose it to significant interest rate risk. All our borrowings are fixed interest rate bearing instruments and hence there is no significant impact of movement in interest rate.

Price risk

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, caused by factors specific to an individual investments, its issuer and market. Our exposure to price risk arises from diversified investments in mutual funds and bonds, and securities held for trade, and classified in the balance sheet at fair value through profit or loss.

Competitive Conditions

The Indian retail wealth management sector is highly competitive and we compete with various companies in the financial services industry, including other mutual fund distributors, wealth management companies, stock brokers, insurance intermediaries and public and private sector banks. For details, see "*Our Business – Competition*" on page 159.

Seasonality

We are not subject to seasonal fluctuations in results of operations and cash flow.

Unusual or Infrequent Events or Transactions

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in "– *Factors Affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*", on pages 268 and 27, respectively.

Except as described in this Prospectus, there have been no events or transactions to our knowledge which, in our judgment, would be considered "unusual" or "infrequent".

Changes in accounting policies

Except as disclosed under "*Financial Information*" on page 197, there are no changes in the accounting policies in the last three Fiscals.

Known Trends or Uncertainties

Except as disclosed in this Prospectus, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on the revenues or income of our Company from continuing operations.

Significant regulatory changes

Except as disclosed in "*Key Regulations and Policies in India*" on page 161, there have been no regulatory changes that have materially affected our business.

Significant economic and regulatory changes

Other than as disclosed in "*Management's Discussion and Analysis of Financial Condition and Results Of Operations – Factors affecting our Results of Operations and Financial Condition – Changes in the regulatory environment*", "*Risk Factors*" and "*Key Regulations and Policies in India*" on pages 271, 27 and 161, respectively, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations, to our knowledge.

New Product or Business Segments

Other than as described in this Prospectus, there are no new products or business segments in which we operate.

Future Relationships Between Costs and Income

Except as disclosed in this Prospectus, to our knowledge there are no known factors which will have a material adverse impact on our business prospects, results of operations and financial condition.

Significant Economic Changes that materially affected or are likely to affect Income from Continuing Operations

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

Except as disclosed in "*Risk Factors*" beginning on page 27 and under "- *Factors affecting our Results of Operations*" on page 268, there are no significant economic changes that have materially affected our Company's operations or are likely to affect income from continuing operations.

Total turnover of each major industry segment in which the Company operates

For details of the total turnover, see the section titled "*Financial Information*" on page 197.

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

Changes in income from operations during the last three Fiscals are as explained in the sub-section titled "- *Factors affecting our Results of Operations*" on page 268.

Significant dependence on single or few suppliers or customers

For details of risk of significant dependence on few suppliers, see the section titled "*Risk Factors– We depend on our ability to attract and retain registered Mutual Fund Distributors ("MFDs") on our platforms and any inability to retain them may adversely affect our business and results of operations*" on page 34.

Reservations, qualifications or adverse remarks by Auditors

There have been no reservations/ qualifications/ adverse remarks/ matters of emphasis highlighted by our statutory auditors in their auditor's reports on the audited financial statements as of and for the years ended March 31, 2019, 2020 and 2021 and the nine months ended December 31, 2021.

Significant Developments after December 31, 2021

Except as disclosed below and in this Prospectus, there are no significant developments or circumstances that have arisen since December 31, 2021, the date of the last financial statements included in this Prospectus.

Pursuant to our acquisition of the KSBL MF Folios, we understand that for the period of 27 days i.e. from November 1, 2021 to November 27, 2021, certain amounts of commission pertaining to the KSBL MF Folios would be recoverable from us since the KSBL MF Folios have been transferred to our ARN with effect from November 28, 2021. As on date, we are unable to ascertain the exact amount of commission to be recovered since we have only received a communication from one asset management company dated April 6, 2022, stating recoverable amount of ₹ 0.082 million (including GST at the rate 18%).

Further, except as disclosed in this Prospectus, there are no circumstances that have arisen since December 31, 2021, the date of the last financial statements included in this Prospectus, which materially and adversely affect or is likely to affect our trading, operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

*Except as stated below there are no outstanding (i) criminal proceedings involving our Company, Subsidiaries, Directors, or Promoter ("***Relevant Parties***"); (ii) actions by statutory or regulatory authorities involving the Relevant Parties; (iii) outstanding claims relating to direct and indirect taxes involving the Relevant Parties; and (iv) other pending litigation as determined to be material by our Board pursuant to the Materiality Policy (as disclosed herein below); or (v) litigation involving our Group Company which has a material impact on our Company. Further, except as stated in this section, there are no disciplinary actions including penalties imposed by SEBI or stock exchanges against our Promoter in the last five Financial Years including any outstanding action.*

For the purposes of (iv) above in terms of Materiality Policy adopted by a resolution of our Board dated August 11, 2021:

Any pending litigation or arbitration proceedings (other than litigations mentioned in point (i) to (iii) above) involving our Company, Subsidiaries, Directors and Promoter shall be considered "material" for the purposes of disclosure in this Prospectus, if:

(a) the aggregate monetary claim made by or against Relevant Parties as the case may be, in any such pending litigation or arbitration proceeding is equal to or in excess of 1% of the profit after tax (on a consolidated basis) of the Company, in the most recently completed Financial Year as per the Restated Consolidated Financial Information, which is ₹ 4.53 million; or

(b) in such litigation the monetary liability is not quantifiable, or which does not fulfil the threshold specified in (a) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company,

have been considered "material" and accordingly have been disclosed in this Prospectus.

For the purposes of the above, pre-litigation notices received by the Relevant Parties or the Group Company from third parties (excluding those notices issued by statutory or regulatory or taxation authorities or notices threatening criminal action) have not and shall not, unless otherwise decided by our Board, be considered material until such time that any of the Relevant Parties or the Group Company, as the case may be, is impleaded as a the defendant in litigation before any judicial or arbitral forum.

Further, in accordance with the Materiality Policy, our Company has considered such creditors 'material' to whom the amount due is equal to or in excess of 5% of the total consolidated trade payables of our Company as of the end of the most recent period covered in the Restated Consolidated Financial Information. The consolidated trade payables of our Company as on December 31, 2021 was ₹ 1,135.83 million. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds ₹ 56.79 million as on December 31, 2021.

Unless stated to the contrary, the information provided below is as of the date of this Prospectus. All terms defined in a particular litigation disclosure below are for that particular litigation only.

Litigation involving our Company

Litigation against our Company

A. *Outstanding criminal proceedings*

NIL

B. *Actions initiated by regulatory or statutory authorities*

NIL

C. *Outstanding material civil litigation*

NIL

Litigation by our Company

A. Outstanding criminal proceedings

NIL

B. Outstanding material civil litigation

NIL

Litigation involving our Subsidiaries

Litigation against our Subsidiaries

Litigation against PBSPL

A. Outstanding criminal proceedings

Pankaj Ramnaresh Saraf had registered a complaint against National Spot Exchange Limited ("**NSEL**"), its directors, 63 Moons Technologies Limited (formerly known as Financial Technologies (India) Limited) ("**63 Moons**") and, *among others*, its directors, borrowers and brokers, alleging forgery and criminal breach of trust pursuant to an alleged criminal conspiracy. Prudent Comder Private Limited ("**Prudent Comder**"), which was a wholly owned subsidiary of PBSPL before being subsequently merged into PBSPL, was one of the brokers for NSEL. The Economic Offences Wing ("**EOW**") had issued a notice dated January 16, 2019, directing Prudent Comder to furnish certain documents in connection with the investigation relating to this matter, which was furnished by PBSPL by way of its response dated February 4, 2019. The EOW, on May 6, 2021, issued another notice to Munjal Mehta, who is currently one of the directors of PBSPL, for his personal attendance for further investigation along with furnishing of certain documents as specified in the aforementioned notice. He submitted the required information and documents vide his reply dated May 24, 2021 and recorded his statement before the EOW authorities.

Subsequently, the EOW also issued a notice dated June 30, 2021 to Sanjay Shah, our Promoter and Managing Director, requiring his personal attendance along with furnishing of specific information for further investigation. Sanjay Shah submitted the required information and the documents vide his reply dated July 14, 2021 and recorded his statement before the EOW authorities on July 15, 2021. The matter is currently pending.

B. Actions initiated by regulatory or statutory authorities

1. SEBI had issued a show cause notice dated September 25, 2018 ("**SCN**") under Regulation 25(1) of the SEBI (Intermediaries) Regulations, 2008, as amended ("**SEBI Intermediaries Regulations**") to Prudent Comder alleging that Prudent Comder, which was a member of NSEL had facilitated or participated in trading on the NSEL platform in 'paired contracts' in contravention of provisions of the erstwhile Forward Contracts (Regulation) Act, 1952 and Government notification dated June 05,2007. SEBI further observed in the SCN that Prudent Comder violated the SEBI (Stock Broker and Sub Broker) Regulations, 1992 and therefore, was no longer a "fit and proper person" for holding the certificate of registration as an intermediary in the securities market. The SCN called upon Prudent Comder to show cause as to why appropriate recommendations should not be made against it under the SEBI Intermediaries Regulations.

PBSPL, pursuant to its letter dated October 15, 2018, responded to the SCN denying the allegations and stating, among other things, that the SCN was vague and ambiguous, and seeking inspection of the relevant documents. SEBI, pursuant to its letter dated October 16, 2019, provided copies of certain documents. Subsequently, PBSPL, pursuant to its letter dated November 19, 2019, responded to SEBI, denying the allegations and stating, inter alia, that the commodities contracts including the alleged 'paired contracts' were designed, promoted and marketed by NSEL, its promoters and key managerial personnel, and PBSPL had no say in the matter of designing such contracts. PBSPL further submitted that it had operated in accordance with the bye laws, rules and regulations of the stock exchanges, and that there was no violation of any condition of certificate of registration or securities laws, seeking that the SCN be withdrawn and PBSPL be exonerated from the alleged violations and actions.

Thereafter, SEBI issued a show cause notice under Regulation 28(1) of the SEBI Intermediaries Regulations dated January 28, 2020 (“**January SCN**”) to Prudent Comder based on an enquiry report dated December 31, 2019 of the Designated Authority (“**Enquiry Report**”) in terms of the SEBI Intermediaries Regulations. In terms of this Enquiry Report, the Designated Authority observed that PBSPL had facilitated trading in paired contracts by providing the infrastructure and services to its clients and had allegedly failed to conduct adequate due diligence on the products which it offered for trading to its clients. Therefore, it was held that PBSPL had not maintained the requisite standards of the code of conduct, required by it to exercise due skill, care and diligence and as a result of which the Designated Authority recommended that the certificate of registration of PBSPL as a commodity derivatives broker be cancelled in terms of Regulation 27 of the SEBI Intermediaries Regulations.

Relying on the Enquiry Report, SEBI called upon PBSPL to show cause as to why action under Regulation 28(2) of the SEBI Intermediaries Regulations should not be taken against it. PBSPL, pursuant to its response dated March 30, 2021. PBSPL once again denied the allegations made in the January SCN and submitted, among other things, that the allegations made in the January SCN are misconceived and based on incomplete and incorrect assumption of facts, and that it has already responded to each of the observations in the Enquiry Report in its earlier responses. PBSPL further submitted that discovery of the intention, objective or purpose of the client which are alleged to be in the nature of financial transactions cannot form a part of the due diligence responsibility of a broker, and sought that all allegations against PBSPL be dropped and that PBSPL be granted a personal hearing before the concerned authority. The matter is currently pending adjudication.

C. Outstanding material civil litigation

1. Mr. Prasenjit Mitra had filed a complaint dated February 12, 2019 with NSE against PBSPL, alleging unauthorized trading. On this complaint, NSE convened a meeting of the Investor Grievance Resolution Panel (“**IGRP**”) on March 8, 2019 wherein they passed an order rejecting his plea. Aggrieved by the order, Mr. Prasenjit Mitra filed an arbitration application dated April 26, 2019 in accordance with the bye-laws, rules and regulations of the NSE. Consequently, an arbitration award was passed on September 16, 2019, which held PBSPL and Mr. Prasenjit Mitra equally responsible for the irregularities in the trading account and for the loss suffered by Mr. Prasenjit Mitra. Further, PBSPL was required to bear half of the losses suffered by Mr. Prasenjit Mitra amounting to ₹ 3.28 million within the specified timeline. On appeal by PBSPL before the appellate tribunal, the aforesaid arbitration award was upheld vide an order dated February 27, 2020. Accordingly, PBSPL has a filed an application dated August 19, 2020 before the Alipore district court under Section 34 of Arbitration and Conciliation Act, 1996 against the order of the appellate tribunal. The matter is currently pending.

Litigation against Prutech

A. Outstanding criminal proceedings

NIL

B. Actions initiated by regulatory or statutory authorities

NIL

C. Outstanding material civil litigation

NIL

Litigation against Gennext

A. Outstanding criminal proceedings

NIL

B. Actions initiated by regulatory or statutory authorities

NIL

C. Outstanding material civil litigation

NIL

Litigation by our Subsidiaries

Litigation by PBSPL

A. Outstanding criminal proceedings

1. 18 criminal complaints have been filed by PBSPL against certain of its customers before various judicial fora under Section 138 of the Negotiable Instruments Act, 1881 for cheques which on presentation were dishonoured by the bank. The aggregate amount involved in these matters is ₹ 27.54 million. These matters are currently pending.

B. Outstanding material civil litigation

PBSPL has filed a complaint dated December 28, 2020 against IL&FS Securities Services Limited ("**ISSL**") before NSE. ISSL had been serving as the clearing member for PBSPL's futures and options (F&O) segment of NSE. PBSPL had a clear credit balance of ₹ 20.37 million in cash which was collateral and margin money, with ISSL for the F& O segment as well as ₹ 0.1 million in the debt segment by end of July 2019. PBSPL had repeatedly requested ISSL to refund an outstanding claim of ₹ 23.48 million of margin money which includes an interest amount of ₹ 2.46 million as well as the due margin amount in the debt segment, which ISSL had failed to refund. It had also paid tax of ₹ 0.46 million on behalf of ISSL PBSPL filed a complaint with NSE on December 28, 2020 and the Grievance Redressal Committee ("**GRC**") vide its order dated July 15, 2021, accepted the claim to the extent of ₹ 20.37 million i.e. the cash collateral lying in credit to the account of PBSPL. However, as regard to the interest claimed, it noted that such claim is not tenable since it is purely commercial in nature, and is not part of the agreement between the parties. Therefore, the claim as of now stands to ₹ 20.47 million subject to the claim of ₹ 0.1 million in the debt segment. ISSL has been directed to release an amount of ₹ 0.1 million within seven working days from the date of the order. In case ISSL complies with the direction, the admissible claim shall be ₹ 20.37 million, otherwise it shall be ₹ 20.47 million.
The matter has been closed. PBSPL is awaiting the implementation of the GRC order which is subject to further appeal by ISSL.

Litigation by Prutech

A. Outstanding criminal proceedings

NIL

B. Outstanding material civil litigation

NIL

Litigation by Gennext

A. Outstanding criminal proceedings

NIL

B. Outstanding material civil litigation

NIL

Litigation involving our Promoter

Litigation against our Promoter

A. Outstanding criminal proceedings

NIL

B. Actions initiated by regulatory or statutory authorities

NIL

C. Outstanding material civil litigation

NIL

Litigation by our Promoter

A. Outstanding criminal proceedings

NIL

B. Outstanding material civil litigation

NIL

Litigation involving our Directors

Litigation against our Directors

A. Outstanding criminal proceedings

1. Mr. Partha Sarthy Sarkar, an ex-employee of Future Generali India Life Insurance Company Limited (hereinafter referred to as "**FG**") filed a Special Civil Suit Number 69/2012 in Nagpur in the court of the second joint Civil Judge Senior Division for a decree of declaration that his services with Future Generali Company were illegally terminated and that his reinstatement be directed. He has also prayed for a decree for Rs 10 million with interest towards the loss caused to him by illegal termination. In response, FG filed a Written Statement before the court and taking objection to the averments made in the written statement, Mr. Sarkar filed a criminal defamation case SCC number 321326/2012 before the Judicial Magistrate First Class, Nagpur against certain persons in the company, including our Director, Deepak Sood, who was the managing director and chief executive officer of FG at the time of the termination. The aforesaid matter has been stayed by the Bombay High Court, Nagpur Bench vide a criminal application number 679/2019 filed on July 3, 2019 under section 482 of the Indian Penal Code. It has also led to a number of cases as disclosed below:
    a) FG and the other respondents filed a Criminal Revision Application 100141/2013 before the District and Sessions Judge, Nagpur seeking to quash the proceedings under SCC number 321326/2012. Taking objection to the averments filed in the Criminal Revision Application, Mr. Sarkar filed another criminal defamation case SCC number 318664/2015. The matter has been stayed by the Bombay High Court, Nagpur Bench vide criminal application number 602/2018 under section 482 of the Indian Penal Code filed on July 3, 2018. The matter is pending final hearing.
    b) Mr. Sarkar filed a criminal Appeal 318/2019 appealing against the order passed in the matter MJC 443/2018 denying relief to Mr. Sarkar for initiating proceedings under section 340 of the criminal procedure code. The matter is currently pending.
    c) Mr. Sarkar filed a criminal appeal number 161/2019 against an order passed in the criminal revision application number 100141/2013 rejecting an application filed by Mr. Sarkar for initiating action for the offence of perjury. The matter is currently pending.
    d) Mr. Sarkar filed a criminal application 679/2019 filed in the Bombay High Court, Nagpur Bench, consequent to dismissal of criminal revision application number 100141/2013, seeking to quash SCC number 321326/2012. The matter is currently pending.

B. Actions initiated by regulatory or statutory authorities

NIL

C. Outstanding material civil litigation

NIL

Litigation by our Directors

B. *Outstanding criminal proceedings*

NIL

C. *Outstanding material civil litigation*

NIL

Outstanding litigation involving our Group Company which has a material impact on our Company

As on the date of this Prospectus, our Group Company is not party to any pending litigation which will have a material impact on our Company.

Tax Proceedings

Except as disclosed below, there are no outstanding tax proceedings involving our Company, Subsidiaries, Directors or Promoter:

(in ₹ million)

Nature of cases	Number of cases	Amount involved*
Company		
Direct Tax	3	4.17
Indirect Tax	1	NIL
Subsidiaries		
Direct Tax	5	53.85
Indirect Tax	NIL	NIL
Directors (other than Promoter)		
Direct Tax	1	NIL
Indirect Tax	NIL	NIL
Promoter		
Direct Tax	3	0.95
Indirect Tax	NIL	NIL
Total	**12**	**58.97**

**To the extent quantifiable.*

Outstanding dues to Creditors

As per the Materiality Policy, creditors to whom an amount exceeding ₹ 56.79 million, which is 5% of the total consolidated trade payables of our Company as of the end of the most recent period covered in the Restated Consolidated Financial Information, i.e. as of December 31, 2021, were considered 'material' creditors. Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at December 31, 2021 by our Company, are set out below:

Particulars	As at December 31, 2021		As at March 31, 2021	
	Number of creditors	Amount involved (in ₹ million)	Number of creditors	Amount involved (in ₹ million)
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
Material creditors	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises				
- Payable to clients	8,919	704.95	9,052	623.40
- Payable to exchanges	6	5.99	2	5.64
- Payable to vendors	18,098	424.89	15,629	310.31

Particulars	As at December 31, 2021		As at March 31, 2021	
	Number of creditors	**Amount involved (in ₹ million)**	**Number of creditors**	**Amount involved (in ₹ million)**
Total	**27,023**	**1,135.83**	**24,683**	**939.35**

Based on the above, there are no material creditors of our Company as on December 31, 2021.The Company in its ordinary course of business has consolidated outstanding dues aggregating to ₹ 1,135.83 million as of December 31, 2021.

The details pertaining to net outstanding dues towards our material creditors are available on the website of our Company at www.prudentcorporate.com/investorrelation.

It is clarified that information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website would be doing so at their own risk.

Material Developments

There are no circumstances that have arisen since December 31, 2021, that could materially and adversely affect or are likely to affect, our trading, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our Company and Material Subsidiary have received the necessary material consents, licenses, permissions, registrations and approvals from the Government of India, various governmental agencies and other statutory and/ or regulatory authorities required for carrying out our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Prospectus. Certain licenses/ approvals may have expired in their normal course and our Company or Material Subsidiary, as applicable, has either made applications to the appropriate authorities for such licenses/ approvals, or is in the process of making such applications. For further details in connection with the applicable regulatory and legal framework, please see the section entitled "Key Regulations and Policies in India" on page 161.

Approvals relating to the Offer

For the approvals and authorisations obtained by our Company in relation to the Offer, see "*Other Regulatory and Statutory Disclosures – Authority for the Offer*" on page 309.

Incorporation details of our Company and Material Subsidiary

1. Certificate of incorporation dated June 4, 2003 issued by the RoC to our Company in the name of '*Prudent Corporate Advisory Services Limited*'.

2. Certificate of commencement of business dated June 20, 2003 issued by the RoC to our Company.

3. Certificate of incorporation dated July 7, 2010 issued by the RoC to Gennext in the name of '*Gennext Insurance Brokers Private Limited'.*

Material Approvals obtained by our Company in relation to our business and operations

1. Tax related approvals

(a) Permanent Account Number AADCP1830B, issued by the Income Tax Department, Government of India under the Income Tax Act, 1961.

(b) Tax Deduction Account Number AHMP03687F, issued by the Income Tax Department, Government of India

(c) Our Company has obtained goods and services tax identification numbers under the applicable provisions of the goods and services tax legislations applicable in the states and union territories where we operate. The GST registration number of our Company is 24AADCP1830B2Z3, for the state of Gujarat, where our Registered Office is located.

(d) The professional tax registration number of our Company is PRC010511000231, for Ahmedabad, where our Registered Office is located.

2. Approvals in relation to our operations

(a) Registration bearing number INZ000293634 as a stock broker for carrying on the activities of buying, selling or dealing in securities / clearing and settlement of trades, and for carrying on such other activities as permitted by the respective stock exchanges / clearing corporations, dated February 25, 2020, issued by SEBI under the SEBI Stock Brokers Regulations. The registration shall remain valid until cancelled or suspended in accordance with the regulations.

(b) Letter dated January 6, 2020 from BSE in relation to the selection of our Company as a Trading Member (Deposit Based Member) of BSE under the terms of and subject to the rules, bye-laws and regulations of BSE.

(c) Registration bearing number IN-DP-477-2020 dated September 4, 2020, as a participant, issued by SEBI under the SEBI Depositories and Participants Regulations.

(d) Registration bearing number 9992 issued by the Association of Mutual Funds in India.

(e) Registration as a mutual fund distributor with mutual fund distributor code no. 10141, dated August 24, 2015, issued by BSE. The registration shall remain valid until suspended/ cancelled/ surrendered in accordance with the SEBI exchange circulars issued in this regard from time to time.

(f) Registration as a Clearing Member of NSE Clearing Limited in Capital Market, with primary member code 90209 and CM code M52097, issued by NSE.

(g) Registration bearing number INA000004906 as an investment adviser datedJanuary 7, 2022, issued by SEBI under SEBI Investment Advisers Regulations.

(h) Certificate of Registration and Commencement of Business as Point of Presence for National Pension Scheme and/or other pension schemes, dated September 4, 2018 bearing number 10092018, as a point of presence under the National Pension System, issued by PFRDA under the PFRDA Act and the PFRDA (POP) Regulations. The registration shall remain valid unless suspended or cancelled by the PFRDA.

(i) Registration bearing number (AG / GJ / AHMEDABAD / AHMADABAD CITY / AUDA / AA00097 / 110922R1) dated September 11, 2017 to act as a real estate agent to facilitate the sale or purchase of any plot, apartment or building, as the case may be, in real estate projects registered in Gujarat. The registration is valid for a period of five years commencing from September 11, 2017 unless renewed in accordance with the provisions of the RERA Act or the rules and regulations made thereunder.

(j) Registration bearing number A51700004235 dated July 24, 2017 to act as a real estate agent to facilitate the sale or purchase of any plot, apartment or building, as the case may be, in real estate projects registered in Maharashtra. The registration is valid for a period of five years commencing from July 24, 2017 unless renewed by the regulatory authority in accordance with the provisions or the rules and regulations made there under.

(k) Registration bearing number PRM/KA/RERA/1251/309/AG/210218/002272 dated February 18, 2021 to act as a real estate agent to facilitate the sale or purchase of any plot, apartment or building, as the case may be, in real estate projects registered in Karnataka. The registration is valid for a period of five years commencing from February 18, 2021 unless renewed by the regulatory authority in accordance with the provisions or the rules and regulations made there under.

3. *Labour related approvals*

We have obtained registrations in the ordinary course of business across various states in India under labour laws including the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees' State Insurance Act, 1948. Further, we have obtained registrations under the shops and establishments acts of applicable state specific laws where we operate. The validity period of these registrations varies from state to state. For details of the registrations which have expired under the shops and establishment acts, please see "– *Material Approvals for which renewal applications have been made but not received by our Company and Material Subsidiary*", "– *Material Approvals for which applications have been made but not received by our Company and Material Subsidiary*" and "*Risk Factors – We require certain approvals and licenses in the ordinary course of business, and the failure to obtain or retain them in a timely manner may have a material adverse effect on our operations*" on pages 307, 308 and 42 respectively.

4. *Intellectual Property related approvals*

Trademarks

As on date of this Prospectus, our Company has applied for nine trademark registrations under the Trademarks Act, 1999; of which; seven trademarks are registered, one trademark application is presently objected; and onetrademark application has been accepted and advertised by the Trademarks Registry.

Our Company has registered the Prudent trademark under class 36 with the Registrar of Trademarks in India under the Trade Marks Act, 1999 in its name.

These registrations are valid for a period of 10 years from the date of application and may be renewed for every period of 10 years thereafter.

Material Approvals in relation to our Material Subsidiary

1. Tax related Approvals

(a) Permanent Account Number AADCG8892L, issued by the Income Tax Department, Government of India under the Income Tax Act, 1961.

(b) Tax Deduction Account Number AHMG06145G, issued by the Income Tax Department, Government of India to Gennext.

(c) Gennext has obtained goods and services tax identification numbers under the applicable provisions of the goods and services tax legislations applicable in the states and union territories where it operates.

(d) The GST registration number of Gennext is 24AADCG8892L1Z0, for the state of Gujarat, where its Registered Office is located

(e) The professional tax registration number of Gennext is PRC015121073, for Ahmedabad, where its Registered Office is located.

2. Approvals in relation to its operations

Registration bearing number 501 dated November 12, 2020 to act as an Insurance Broker under the Direct (Life and General) category issued by the Insurance Regulatory and Development Authority of India. The registration is valid for a period of three years from November 20, 2020 to November 19, 2023.

3. Labour related approvals

Gennext has obtained registrations in the ordinary course of business across various states in India under labour laws including the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees' State Insurance Act, 1948. Further, Gennext has obtained registrations under the shops and establishments acts of applicable state specific laws where it operates. The validity period of these registrations varies from state to state. For details of the registrations which have expired under the shops and establishment acts, please see "*– Material Approvals for which renewal applications have been made but not received by our Company and Material Subsidiary*", "*– Material Approvals for which applications have been made but not received by our Company and Material Subsidiary*" and "*Risk Factors – We require certain approvals and licenses in the ordinary course of business, and the failure to obtain or retain them in a timely manner may have a material adverse effect on our operations*" on pages 307, 308 and 42 respectively..

4. Intellectual Property related approvals

As on date of this Prospectus, Gennext has applied for 2 trademark registrations under the Trademarks Act, 1999 of which; 1 trademark is registered and 1 trademark application is presently opposed

Gennext has registered the GENNEXT trademark under class 36 with the Registrar of Trademarks in India under the Trade Marks Act, 1999 in its name.

These registrations are valid for a period of 10 years from the date of application and may be renewed for every period of 10 years thereafter.

Material Approvals for which renewal applications have been made but not received by our Company and Material Subsidiary

Our Company has submitted applications for renewal of shops and establishment registration for its offices located at Ranchi, Durgapur and Siliguri.

Gennext has applied for the renewal of the shops and establishment certificate for its office located at Durgapur.

Except for this, as on the date of this Prospectus, there are no material approvals for which renewal applications have been made but not received.

Material Approvals for which applications have been made but not received by our Company and Material Subsidiary

Our Company has submitted applications for registering its offices in Panaji, Tiruchirapalli, Coimbatore and Hubli under the relevant shops and establishment act.

Gennext has submitted applications for shops and establishment registration for its offices located at Udaipur, Ajmer, Jodhpur, Kolkata, Siliguri, Dehradun, Madurai and Hubli.

Except for this, as on the date of this Prospectus, there are no material approvals for which applications have been made but not received by our Company or Material Subsidiary.

Material Approvals for which renewal applications are yet to be made by our Company and Material Subsidiary

As on the date of this Prospectus, there are no material approvals for which renewal applications are yet to be made.

Material Approvals required but which have not been applied for by our Company and Material Subsidiary

Our Company is yet to submit applications for registering its new offices at Godhara, Ahmednagar and Burdwan, under the relevant shops and establishment act of the specific states.

Gennext is yet to submit applications for registering its new offices at Jalandhar, Junagadh, Godhara, Burdwan, Bhavnagar, Madurai, Tiruchirappalli, Coimbatore, Ahmednagar and Panaji under the relevant shops and establishment act of the specific states.

Except for this, as on the date of this Prospectus, there are no material approvals which are required but have not been applied for.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Our Board has approved the Offer pursuant to the resolution passed at its meeting held on July 22, 2021. The Shareholders have approved this Offer pursuant to the resolution passed at the general meeting held on July 23, 2021.

Our Board and our IPO Committee had each approved the Draft Red Herring Prospectus pursuant to their resolutions dated August 11, 2021 and August 12, 2021, respectively. The Red Herring Prospectus has been approved by our Board pursuant to a resolution dated May 2, 2022. This Prospectus has been approved by our Board pursuant to a resolution dated May 13, 2022 by the IPO Committee pursuant to a resolution dated May 14, 2022.

The Offer for Sale has been authorised by the Selling Shareholders as follows:

Selling Shareholder	Number of Offer Shares	Date of consent letter	Date of corporate authorisation / board resolution
Wagner Limited	8,281,340 Equity Shares aggregating to ₹ 5,210.74 million*	August 11, 2021	August 6, 2021
Shirish Patel	268,000 Equity Shares aggregating up to ₹ 168.63 million*	August 11, 2021	-

* *Subject to finalization of the Basis of Allotment*

Our Board of Directors has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated August 11, 2021. For details, see "*The Offer*" on page 56.

Our Company has received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated September 2, 2021 and September 9, 2021, respectively.

Regulatory approvals received in relation to the Offer

1. Our Company submitted an application dated July 5, 2021, seeking approval of BSE for the change in shareholding pattern (without change in control) of our Company pursuant to the Offer, as a trading member on the cash segment of BSE. In response, BSE has requested our Company to apply for approval in connection with the change in shareholding post estimation of number of shares to be issued.

2. Our Company submitted an application dated July 5, 2021, seeking approval of NSE for the change in shareholding pattern (without change in control) of our Company pursuant to the Offer, as a trading member on the cash segment of NSE. In response, NSE has requested our Company to apply for a post-facto approval, once the Equity Shares are allotted pursuant to the Offer.

3. Our Company submitted an application dated June 18, 2021, seeking approval of the PFRDA for the change in shareholding pattern (without change in control) of our Company, as a point of presence. In response, PFRDA has provided it's approval dated June 28, 2021, subject to certain conditions, which our Company has complied with.

Intimations made in relation to the Offer

1. Our Company submitted letters each dated June 18, 2021, to intimate SEBI of the change in shareholding pattern (without change in control) of our Company pursuant to the Offer, as a stock broker, depository participant and investment adviser registered with SEBI.

2. Our Company submitted a letter dated August 9, 2021 to intimate AMFI of the change in shareholding pattern (without change in control) of our Company pursuant to the Offer, as a mutual funds distributor registered with AMFI.

3. Our Company submitted an application dated July 7, 2021, seeking approval of CDSL for the change in shareholding pattern (without change in control) of our Company pursuant to the Offer, as a depository participant of CDSL. In response, CDSL through its email dated July 16, 2021 has clarified that prior

approval is not required for change in shareholding pattern without change in control.

4. Gennext submitted a letter dated June 20, 2021 to intimate IRDAI of the change in the paid-up equity share capital of our Company, its promoter, pursuant to the Offer, as a direct broker- life and general registered with IRDAI.

Prohibition by SEBI or other governmental authorities

Our Company, Promoter, Promoter Group, Directors, the persons in control of the Company, and the Selling Shareholders are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoter and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

Each Selling Shareholder, severally and not jointly, confirms that it has not been prohibited from accessing the capital markets under any order or direction passed by SEBI or any other governmental authority in India.

Except for (a) Sanjay Shah, who is associated with (i) Prudent Broking Services Private Limited, a SEBI registered stock broker and depository participant, and a member of BSE, NSE, Metropolitan Stock Exchange and CDSL, and (ii) Prutech Financial Services Private Limited, a SEBI registered Investment Adviser ; (b) Shirish Patel, who is associated with (i) Prutech Financial Services Private Limited, a SEBI registered Investment Adviser and (c) Karan Dutta who is associated with (i) Edelweiss Asset Management Limited, a SEBI registered Portfolio Manager, and (ii) Tamohara Investment Managers Private Limited, a SEBI registered Portfolio Manager, none of our Directors are associated with securities market related business, in any manner. Further, there has been no outstanding actions initiated by SEBI against our Directors in the five years preceding the date of this Prospectus.

Our Company, Promoter or Directors have not been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

Our Promoter or Directors have not been declared as fugitive economic offenders under section 12 of the Fugitive Economic Offenders Act, 2018.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoter, the Selling Shareholders, and members of our Promoter Group, are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to each of them as of the date of this Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has had net tangible assets of at least ₹30 million, calculated on a restated and consolidated basis, in each of the preceding three full financial years (of 12 months each), i.e., as on and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019. As the Offer is being made entirely through an offer for sale, the limit of not more than 50% of the net tangible assets being held in monetary assets, is not applicable;

- Our Company has an average operating profit of at least ₹150 million, calculated on a restated and consolidated basis, during the preceding three full financial years (of 12 months each), i.e., as on and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, with operating profit in each of these preceding three years;

- Our Company has a net worth of at least ₹10 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), i.e., as on and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019; and

- Our Company has not changed its name in the last one year.

Our Company's operating profit, net worth, monetary assets, net tangible assets and monetary assets as a percentage of the net tangible assets, derived from the Restated Consolidated Financial Information included in this Prospectus as at, and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 are set forth below:

(*in ₹ million, unless otherwise stated*)

S. No.	Particulars	Fiscal 2021	Fiscal 2020	Fiscal 2019
A.	Net tangible assets, as restated [(1)]	1,543.03	1,092.68	812.19
B.	Net worth, as restated[(2)]	1,576.45	1,125.18	830.97
C.	Pre-tax operating profits, as restated[(3)]	537.91	387.26	305.82

Notes:

(1) "Net tangible assets" mean the sum of all net assets of our Company excluding intangible assets, Right of Use assets (related total lease liabilities) and deferred tax assets (Net) (including deferred tax liabilities) of the Company.

(2) "Net worth" means the aggregate value of the paid-up share capital, instrument entirely equity in nature and other equity.

(3) "Pre-tax operating profit" means profit before tax and exceptional item, excluding other income and finance costs.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. Our Company is in compliance with the conditions specified in Regulation 5 of the SEBI ICDR Regulations, as follows:

(a) Neither our Company, nor our Promoter, nor members of our Promoter Group, nor our Directors are debarred from accessing the capital markets by SEBI.

(b) Neither our Promoter nor any of our Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI.

(c) Neither our Company nor our Promoter or any of our Directors is a Wilful Defaulter or Fraudulent Borrower.

(d) Neither our Promoter nor any of our Directors is a Fugitive Economic Offender.

(e) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Prospectus.

Our Company shall not make an Allotment if the number or prospective allottees is less than 1,000 in accordance with Regulation 49(1) of the SEBI ICDR Regulations.

The Selling Shareholders confirm that the Equity Shares offered by each Selling Shareholder as part of the Offer for Sale have been held in compliance with Regulation 8 of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, ICICI SECURITIES LIMITED, AXIS CAPITAL LIMITED AND EQUIRUS CAPITAL PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS AND EACH OF THE SELLING SHAREHOLDERS WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THE DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF OR ITS RESPECTIVE PORTION OF THE OFFERED SHARES, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 12, 2021, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS, THE RED HERRING PROSPECTUS AND THIS PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS, THE RED HERRING PROSPECTUS AND THIS PROSPECTUS.

Disclaimer from our Company, the Directors, the Selling Shareholders, the Book Running Lead Managers

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement entered into among the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, each Selling Shareholder, the Book Running Lead Managers 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 Centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software or hardware system or otherwise or (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Bidders were required to confirm and have been deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, partners, 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, allot, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, partners, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Book Running Lead Managers and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with or become customers to our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

The Offer has been made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, as amended, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co- operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their respective constitution to hold and invest in equity shares, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. The Red Herring Propsectus and this Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction other than in India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus or this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Invitations to subscribe to or purchase the Equity Shares in the Offer were made only pursuant to the Red Herring Prospectus if the recipient was in India or the preliminary offering memorandum for the Offer, which comprised the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient was outside India. No person outside India was eligible to bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contained the selling restrictions for the Offer outside India. Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbaionly.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Red Herring Prospectus was and this Prospectus will be filed with SEBI. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Red Herring Prospectus and this Prospectus nor any offer or sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or any of the Selling Shareholders since the date hereof or that the information contained herein is correct as of any time subsequent to thisdate.

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

Bidders were advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required had to agree in the Allotment Advice that such Bidder would not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of BSE

As required, a copy of the Draft Red Herring Prospectus was submitted to BSE. The disclaimer clause as intimated by BSE to our Company is set forth below:

"BSE Limited ("the Exchange") has given vide its letter dated September 2, 2021 permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document 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: -

a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or

b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or

c) 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 offer document 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"

Disclaimer Clause of NSE

As required, a copy of the Draft Red Herring Prospectus was submitted to NSE. The disclaimer clause as intimated by NSE to our Company is set forth below:

"As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/1181 dated September 09, 2021 permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer 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 any other reason whatsoever."

Listing

The Equity Shares issued through the Red Herring Prospectus and this Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. BSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all monies received from the Bidders in pursuance of the Red Herring Prospectus and each of the Selling Shareholders will be liable to reimburse our Company for such repayment of monies, on its behalf, with respect to its respective portion of the Offered Shares. If such money is not repaid within the prescribed time, then our Company, the Selling Shareholders and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law. Any expense incurred by our Company on behalf of any of the Selling Shareholders with regard to interest on such refunds will be reimbursed by such Selling Shareholder in proportion to its respective portion of the Offered Shares. For the avoidance of doubt, subject to applicable law, a Selling Shareholder shall not be responsible to pay interest for any delay, except to the extent that such delay has been caused by any act or omission solely attributable to such Selling Shareholder and to the extent of its respective portion of the Offered Shares.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within six Working Days from the Bid/ Offer Closing Date. Further, each of the Selling Shareholders, severally and not jointly, confirms that it shall provide reasonable assistance to our Company, and the Book Running Lead Managers, with respect to its respective portion of the Offered Shares, for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges within six Working Days from the Bid/ Offer Closing Date, to the extent of the Offered Shares.

If our Company does not Allot the Equity Shares pursuant to the Offer within six Working Days from the Bid/ Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

Consents

Consents in writing of each of the Selling Shareholders, our Directors, Company Secretary and Compliance Officer, legal counsels, the Book Running Lead Managers, the bankers to our Company, relevant third parties, independent chartered accountant and the Registrar to the Offer to act in their respective capacities, the Syndicate Member, Escrow Collection Bank(s), Refund Bank(s) and Sponsor Bank to act in their respective capacities, have been obtained, and have been filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of this Prospectus for filing with the RoC.

Experts to the Offer

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

Our Company has received written consent dated May 14, 2022 from Deloitte Haskins & Sells, Chartered Accountants, to include their name as required under the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated February 15, 2022 relating to the Restated Consolidated Financial Information; and (ii) their report dated February 15, 2022 on the statement of special tax benefits available to our Company which appear elsewhere in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

Additionally, our Company has also received the consent from M/s Pramodkumar Dad & Associates, Chartered Accountant, to include their name as required under the Companies Act, 2013 read with SEBI ICDR Regulations in this Prospectus as an "expert" in terms under section 2(38) of the Companies Act 2013.

Capital issue during the preceding three years by our Company

Other than as disclosed in "*Capital Structure – Notes to the Capital Structure*" on pages 70, our Company has not made any capital issues during the three years preceding the date of the Red Herring Prospectus and this Prospectus.

Particulars regarding public or rights issues by our Company during the last five years and performance *vis-à-vis* objects

Other than as disclosed in "*Capital Structure – Notes to the Capital Structure*" on page 70, our Company has not made any public or rights issues (as defined under the SEBI ICDR Regulations) during the five years preceding the date of the Red Herring Prospectus and this Prospectus.

Performance *vis-à-vis objects* –Last public/rights issue of any listed subsidiaries/listed promoter

As on the date of this Prospectus, our Company does not have any corporate promoter. None of our Subsidiaries are listed as of the date of this Prospectus.

Commission, Brokerage and Selling Commission paid on previous issues of the Equity Shares in the last five years

Since this is the initial public offering of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of the Red Herring Prospectus and this Prospectus.

Capital issue during the previous three years by our listed Group Company, Subsidiaries or associates of our Company

None of the securities of our Group Company or Subsidiaries are listed on any stock exchange. As on the date of this Prospectus, our Company does not have any associates.

Price information of past issues handled by the Book Running Lead Managers (during the current Financial Year and two Financial Years preceding the current Financial Year)

A. ICICI Securities Limited

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by ICICI Securities Limited

Sr. No.	Issue Name	Issue Size (Rs. Mn.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Latent View Analytics Limited^	6,000.00	197.00(1)	November 23, 2021	530.00	+153.58%,[-2.96%]	+142.08%,[-1.42%]	NA*
2	Tarsons Products Limited^	10,234.74	662.00(2)	November 26, 2021	700.00	-4.16%,[+0.03%]	-4.46%,[+0.22%]	NA*
3	Go Fashion (India) Limited^^	10,136.09	690.00	November 30, 2021	1,310.00	+59.75%,[+1.36%]	+32.91%,[-1.91%]	NA*
4	Star Health and Allied Insurance Company Limited^^	60,186.84	900.00(3)	December 10, 2021	845.00	-14.78%,[+1.72%]	-29.79%,[-6.66%]	NA*
5	Shriram Properties Limited^^	6,000.00	118.00(4)	December 20, 2021	90.00	-12.42%,[+9.02%]	-33.39%,[+4.05%]	NA*
6	Metro Brands Limited^	13,675.05	500.00	December 22, 2021	436.00	+21.77%,[+4.45%]	+14.57%,[+0.64%]	NA*
7	Supriya Lifescience Limited^	7,000.00	274.00	December 28, 2021	425.00	+78.61%,[-0.07%]	+72.12%,[-0.92%]	NA*
8	AGS Transact Technologies Limited^	6,800.00	175.00	January 31, 2022	176.00	-42.97%,[-3.05%]	-28.63%,[-1.64%]	NA*
9	Adani Wilmar Limited^^	36,000.00	230.00(5)	February 8, 2022	227.00	+48.00%,[-5.34%]	+180.96%,[-4.95%]	NA*
10	Vedant Fashions Limited^^	31,491.95	866.00	February 16, 2022	935.00	+3.99%,[-0.20%]	NA*	NA*

**Data not available.*

^BSE as designated stock exchange

^^NSE as designated stock exchange

(1) Discount of Rs. 19 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 197.00 per equity share.
(2) Discount of Rs. 61 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 662.00 per equity share.
(3) Discount of Rs. 80 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 900.00 per equity share.
(4) Discount of Rs. 11 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 118.00 per equity share.
(5) Discount of Rs. 21 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 230.00 per equity share.

2. Summary statement of price information of past issues handled by ICICI Securities Limited

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2022-23*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2021-22	26	7,43,520.19	-	3	6	6	4	7	1	3	3	3	2	2
2020-21	14	1,74,546.09	-	-	5	5	2	2	-	1	3	5	3	2

* This data covers issues up to YTD

Notes:

1. *Data is sourced either from www.nseindia.com or www.bseindia.com, as per the designated stock exchange disclosed by the respective Issuer Company.*
2. *Similarly, benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective Issuer Company.*
3. *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day*

B. *Axis Capital Limited*

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Axis Capital Limited*

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Vedant Fashions Limited(2)	31,491.95	866.00	February 16, 2022	935.00	+3.99%, [-0.20%]	-	-
2	CMS Info Systems Limited(1)	11,000.00	216.00	December 31, 2021	218.50	+21.99%, [-1.81%]	+25.35%, [+0.74%]	-
3	Supriya Lifescience Limited(1)	7,000.00	274.00	December 28, 2021	425.00	+78.61%, [-0.07%]	+72.12%, [-0.92%]	-
4	Medplus Health Services Limited*(1)	13,982.95	796.00	December 23, 2021	1,015.00	+53.22%, [+3.00%]	+23.06%, [+1.18%]	-
5	Metro Brands Limited(1)	13,675.05	500.00	December 22, 2021	436.00	+21.77%, [+4.45%]	+14.57%, [+0.64%]	-
6	C.E. Info Systems Limited(1)	10,396.06	1,033.00	December 21, 2021	1,581.00	+70.21%, [+6.71%]	+48.48%, [+2.74%]	-
7	Shriram Properties Limited$(2)	6,000.00	118.00	December 20, 2021	90.00	-12.42%, [+9.02%]	-33.39%, [+4.05%]	-
8	Tega Industries Limited(2)	6,192.27	453.00	December 13, 2021	760.00	+30.70%, [+3.96%]	+1.02%, [-4.25%]	-
9	Star Health and Allied Insurance Company Limited^(2)	60,186.84	900.00	December 10, 2021	845.00	-14.78%, [+1.72%]	-29.79%, [-6.66%]	-
10	Latent View Analytics Limited@(1)	6,000.00	197.00	November 23, 2021	530.00	+153.58%, [-2.96%]	+142.08%, [-1.42%]	-

Source: www.nseindia.com and www.bseindia.com

(1)BSE as Designated Stock Exchange

(2)NSE as Designated Stock Exchange

** Offer Price was Rs 718.00 per equity share to Eligible Employees*

$ Offer Price was Rs 107.00 per equity share to Eligible Employees

^Offer Price wasRs 820.00 per equity share to Eligible Employees

@Offer Price was Rs 178.00 per equity share to Eligible Employees

Notes:

a. *Issue Size derived from Prospectus/final post issue reports, as available.*
b. *The CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable .*
c. *Price on NSE or BSE is considered for all of the above calculations as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.*
d. *In case 30th/90th/180th day is not a trading day, closing price of the previous trading day has been considered.*
e. *Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.*

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Axis Capital Limited*

Financial Year	Total no. of IPOs	Total funds raised (₹ in	Nos. of IPOs trading at discount on as on 30th calendar days from listing date	Nos. of IPOs trading at premium on as on 30th calendar days from listing	Nos. of IPOs trading at discount as on 180th calendar days from listing date	Nos. of IPOs trading at premium as on 180th calendar days from listing date

		Millions)				date								
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2022-2023*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2021-2022	25	6,09,514.77	-	2	6	6	5	6	2	3	1	4	2	2
2020-2021	11	93,028.90	-	-	6	2	1	2	-	1	1	4	3	2

** The information is as on the date of the document*
The information for each of the financial years is based on issues listed during such financial year
Notes: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

C. Equirus Capital Private Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Equirus Capital Private Limited*

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Antony Waste Handling Cell Limited#	2,999.85	315.00	January 01,2021	430.00	-10.14% [-3.31%]	-22.57% [+3.43%]	+2.22% [+9.78%]
2	G R Infraprojects Limited#	9,623.34	837.00[1]	July 19, 2021	1700.00	+90.61% [+6.16%]	+138.67% [+16.65%]	+132.16% [+16.50%]
3	Rolex Rings Limited$	7,310.00	900.00	August 9, 2021	1,250.00	+22.28% [+6.79%]	+31.50% [+10.20%]	+45.24% [+7.74%]
4	Krsnaa Diagnostics Limited$	12,133.35	954.00[2]	August 16, 2021	1,005.55	-9.42% [+4.93%]	-27.73% [+9.30%]	-32.63% [+4.90%]
5	Anand Rathi Wealth Limited#	6,593.75	550.00[3]	December 14, 2021	602.05	+12.38% [+5.22%]	+4.46% [-4.42%]	N.A.
6	Metro Brands Limited#	13,675.05	500.00	December 22, 2021	436.00	+21.77% [+4.45%]	+14.57% [+0.64%]	N.A.

***Source**: www.bseindia.com and www.nseindia.com for price information and prospectus for issue details*
Notes:

1. *A discount of ₹ 42 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of G R Infraprojects Limited IPO*
2. *A discount of ₹ 93 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Krsnaa Diagnostics Limited IPO*
3. *A discount of ₹ 25 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Anand Rathi Wealth Limited IPO*
4. *Price on Designated Stock Exchange of the respective Issuer is considered for all of the above calculations.*
5. *In the event any day falls on a holiday, the price/index of the immediately preceding trading day has been considered.*
6. *N.A. (Not Applicable) – Period not completed.*

 # The S&P BSE SENSEX is considered as the Benchmark Index
$ The S&P CNX NIFTY is considered as the Benchmark Index

2. *Summary statement of price information of past issues handled by Equirus Capital Private Limited*

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2022-23*														
2021-2022	5	49,335.49	-	-	1	1	-	3	-	1	-	1	1	-
2020 -2021	1	2,999.85	-	-	1	-	-	-	-	-	-	-	-	1

** The information is as on the date of this Prospectus.*
The information for each of the financial years is based on issues listed during such financial year.

Track record of past issues handled by the Book Running Lead Managers

For details regarding the track record of the Book Running Lead Managers, as specified in circular bearing number CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the Book Running Lead Managers, as provided in the table below:

S. No.	Name of the Book Running Lead Managers	Website
1.	ICICI Securities Limited	www.icicisecurities.com
2.	Axis Capital Limited	www.axiscapital.co.in
3.	Equirus Capital Private Limited	www.equirus.com

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Prospectus and accordingly, no stock market data is available for the Equity Shares.

Redressal and disposal of investor grievances by our Company

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares to enable the Bidders to approach the Registrar to the Offer for redressal of their grievances.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer, the Book Running Lead Managers with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, UPI ID (in case of UPI Bidders using the UPI Mechanism), date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Book Running Lead Managers and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the SEBI ICDR Regulations. Bidders can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Anchor Investors are required to address all grievances in relation to the Offer to the Book Running Lead Managers.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 7 (seven) days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints within 30 days of receipt of complaint or upon receipt of satisfactory documents.

Our Company has obtained authentication on the SCORES in terms of the SEBI circular bearing number CIR/OIAE/1/2013 dated April 17, 2013 and shall comply with SEBI circular bearing number CIR/OIAE/1/2014 dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Our Company has not received investor complaints in relation to the Equity Shares for the three years prior to the filing of the Draft Red Herring Prospectus, hence no investor complaint in relation to our Company is pending as on the date of filing of this Prospectus.

SECTION VII: OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, offered and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, SEBI Listing Regulations, the terms of the Red Herring Prospectus, this Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital, and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

The Equity Shares offered pursuant to the Offer shall be subject to the provisions of the Companies Act, the Memorandum of Association and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of voting and the right to receive dividend. Further, in the case of Offer for Sale, the dividend for the entire year shall be payable to the Allottees. In addition, the Allottees upon Allotment of Equity Shares under the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see "*Description of Equity Shares and Terms of Articles of Association*" on page 349.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see "*Dividend Policy*" and "*Description of Equity Shares and Terms of Articles of Association*" beginning on pages 196 and 349, respectively.

Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹ 5 and the Offer Price at the lower end of the Price Band is ₹ 595 per Equity Share and at the higher end of the Price Band is ₹ 630 per Equity Share. The Anchor Investor Offer Price is ₹ 630 per Equity Share.

The Offer Price and Price Band has been decided by our Company and the Selling Shareholders, in consultation with the BRLMs and the minimum Bid Lot size for the Offer and the Employee Discount, has been decided by our Company and the Selling Shareholders in consultation with the BRLMs and advertised in editions of Financial Express, an English national newspaper, editions of Jansatta, a Hindi national newspaper and editions of Jaihind, a Gujarati daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and was made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, were pre- filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges.

At any given point of time, there shall be only one denomination for the Equity Shares.

The Offer

The Offer comprises an Offer for Sale by the Selling Shareholders.

Expenses for the Offer shall be shared amongst our Company and the Selling Shareholders in the manner specified in "*Objects of the Offer - Offer Expenses*" on page 81.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our equity Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and the Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "*Description of Equity Shares and Terms of Articles of Association*" on page 349.

Employee Discount

Employee Discount, if any, may be offered to Eligible Employees bidding in the Employee Reservation Portion respectively. Eligible Employees bidding in the Employee Reservation Portion respectively at a price within the Price Band can make payment at Bid Amount, that is, Bid Amount net of Employee Discount, as applicable at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion respectively at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, as applicable, at the time of making a Bid.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been entered into amongst our Company, the respective Depositories and Registrar to the Offer:

- Tripartite agreement dated July 15, 2021 our Company, NSDL and Registrar to the Offer; and
- Tripartite agreement dated July 14, 2021 amongst our Company, CDSL and Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be in multiples of one Equity Share subject to a minimum Allotment of 23 Equity Shares. For further details, see "*Offer Procedure*" beginning on page 329.

Joint Holders

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, the sole Bidder, or the first Bidder along with other joint Bidders, could nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Bid/Offer Programme

BID/OFFER OPENED ON	Tuesday, May 10, 2022 (1)
BID/OFFER CLOSED ON	Thursday, May 12, 2022 (2)

(1) The Anchor Investor Bid/Offer Period was one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Wednesday, May 18, 2022
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	On or about Thursday, May 19, 2022
Credit of Equity Shares to demat accounts of Allottees	On or about Friday, May 20, 2022
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Monday, May 23, 2022

** In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The post Offer BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.*

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company or the Selling Shareholders or the BRLMs.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholders in consultation with the BRLMs, or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each of the Selling Shareholders, severally and not jointly, confirms that it shall extend such reasonable support and co- operation in relation to its respective portion of the Offered Shares for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by SEBI.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Prospectus may result in changes to the above mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

In terms of the UPI Circulars, in relation to the Offer, the Lead Managers will submit reports of compliance with T+6 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/Offer	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Offer Closing Date, the Bids were uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs or Eligible Employees under the Employee Reservation Portion.

On Bid/Offer Closing Date, extension of time could be granted by Stock Exchanges only for uploading Bids received by RIBs and Eligible Employees Bidding under the Employee Reservation Portion after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders were advised to submit their Bids one day prior to the Bid/Offer Closing Date. Bidders were cautioned that, in the event a large number of Bids were received on the Bid/Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that could not be uploaded were not considered for allocation under this Offer. Bids were accepted only during Working Days.

None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; and (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of discrepancy in data entered in the electronic book vis-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

As this is an offer for sale by the Selling Shareholders, the requirement of minimum subscription of 90% of the Offer under the SEBI ICDR Regulations is not applicable to this Offer. However, if our Company does not receive the minimum subscription in the Offer as specified under the terms of Rule 19(2)(b) of the SCRR, as applicable, including through devolvement of Underwriters, if any, within 60 days from the date of Bid/Offer Closing Date, our Company and the Selling Shareholders shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company and the Selling Shareholders shall pay interest at the rate as prescribed under the applicable law. No liability to make any payment of interest shall accrue to the Selling Shareholders unless any delay in making any of the payments hereunder or any delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is solely attributable to the Selling Shareholders, respectively.

Further, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of SEBI ICDR Regulations, failing which, the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company and the Selling Shareholders shall be liable to pay interest on the application money in accordance with applicable laws.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Offer capital of our Company, minimum Promoter's contribution and the Anchor Investor lock-in and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details see "*Description of Equity Shares and Terms of Articles of Association*" on page 349.

Withdrawal of the Offer

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right not to proceed with the Offer after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank, in case of UPI Bidders using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders and the BRLMs shall notify the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with an issue or offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

OFFER STRUCTURE

Offer of 8,549,340* Equity Shares for cash at a price of ₹ 630 per Equity Share (including a premium of ₹ 625 per Equity Share) aggregating to ₹ 5,379.37 million comprising of an Offer for Sale of 8,281,340* Equity Shares aggregating to ₹ 5,210.74 million* by Wagner and 268,000 Equity Shares aggregating to ₹ 168.63 million* by Shirish Patel offered for sale in the Offer.

The Offer constitutes 20.65% of the post-Offer paid up Equity Share capital of our Company. The Offer included a reservation of 113,835 Equity Shares, aggregating to ₹ 65.00 million, for subscription by Eligible Employees, not exceeding 0.27% of our post-Offer paid up Equity Share capital. The Offer less the Employee Reservation Portion is the Net Offer. The Net Offer shall constitute 20.37% of the post-Offer paid up Equity Share capital of our Company.

* *Subject to finalization of the Basis of Allotment.*

The Offer has been made through the Book Building Process.

Particulars	Eligible Employees	QIBs(1)	Non-Institutional Bidders	RIBs
Number of Equity Shares available for Allotment/ allocation*(2)	113,835 Equity Shares	4,217,752 Equity Shares	1,265,326 Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Retail Individual Bidders	2,952,427 Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment/ allocation	The Employee Reservation Portion constitutes 1.33% of the Offer Size and 0.27% of the post-Offer share capital of our Company	Not more than 50% of the Net Offer was made available for allocation to QIB Bidders. However, 5% of the Net QIB Portion was made available for allocation Proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion were also be eligible for allocation in the remaining QIB Portion. Any unsubscribed portion in the Mutual Fund Portion was added to the Net QIB Portion	Not less than 15% of the Net Offer or the Offer less allocation to QIBs and Retail Individual Bidders was made available for allocation, out of which: (i) one-third of the portion available to Non-Institutional Bidders was reserved for applicants with an application size of more than ₹ 0.2 million and up to ₹ 1 million; and (ii) two-third of the portion available to Non-Institutional Bidders was reserved for applicants with application size of more than ₹ 1 million provided that the unsubscribed portion in either of the sub-categories specified above could be allocated to applicants in the other sub-category of Non-Institutional Bidders	Not less than 35% of the Net Offer or the Net Offer less allocation to QIB Bidders and Non-Institutional Bidders
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate#, unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹ 200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion could be allocated, on a proportionate basis, to Eligible Employees for value exceeding	Proportionate as follows (excluding the Anchor Investor Portion): (a) 84,356 Equity Shares were made available for allocation on a proportionate basis to Mutual Funds only; and (b) 1,602,745 Equity Shares were made available for allocation on a	The allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares is any, shall be available for allocation on a proportionate basis. For details see, "*Offer Procedure*" on page 329

Particulars	Eligible Employees	QIBs(1)	Non-Institutional Bidders	RIBs
	₹200,000, subject to total Allotment to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount)	proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. © Up to 60% of the QIB Portion, being 2,530,651 Equity Shares were made available for allocation on a discretionary basis to Anchor Investors of which one-third, being 843,551 Equity Shares was made available for allocation to Mutual Funds only, subject to valid Bid having been received from Mutual Funds at or above the Anchor Investor Allocation Price	Regulations. For details, see "Offer Procedure" beginning on page 329.	
Minimum Bid	23 Equity Shares	Such number of Equity Shares and in multiples of 23 Equity Shares so that the Bid Amount exceeds ₹200,000	Such number of Equity Shares and in multiples of 23 Equity Shares so that the Bid Amount exceeds ₹200,000	23 Equity Shares in multiples of 23 Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of 23 Equity Shares so as to ensure that the Bid Amount does not exceed ₹ 500,000 (net of Employee Discount)	Such number of Equity Shares in multiples of 23 Equity Shares so that the Bid does not exceed the size of the Net Offer, subject to subject to applicable limits	Such number of Equity Shares in multiples of 23 Equity Shares not exceeding the size of the Net Offer, (excluding the QIB Portion) subject to limits applicable to the Bidder	Such number of Equity Shares in Multiples of 23 Equity Shares so that the Bid Amount does not exceed ₹200,000
Mode of Allotment	Compulsorily in dematerialized form			
Bid Lot	23 Equity Shares and in multiples of 23 Equity Shares thereafter			
Allotment Lot	A minimum of 23 Equity Shares and thereafter in multiples of one Equity Share			
Trading Lot	One Equity Share			
Who can apply(3) (4)	Eligible Employees	Public financial Institutions as specified in Section 2(72) of the Companies Act 2013, Scheduled commercial banks, mutual funds registered with SEBI, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹250 million, pension fund with minimum corpus of ₹250 million National Investment	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions, societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices and registered with SEBI.	Resident Indian individuals, eligible NRIs and HUFs (in the name of the karta)

Particulars	Eligible Employees	QIBs(1)	Non-Institutional Bidders	RIBs
		Fund set up by the Government, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs.		
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount was payable by the Anchor Investors at the time of submission of their Bids(4) **In case of all other Bidders**: Full Bid Amount was blocked in the bank account of the ASBA Bidder (other than Anchor Investors) that is specified in the ASBA Form at the time of submission of the ASBA Form			
Mode of Bidding	Only through the ASBA process (except for Anchor Investors)			

** Subject to finalization of the Basis of Allotment*

 # Eligible Employees Bidding in the Employee Reservation Portion could Bid up to a Bid Amount of ₹ 500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion were considered for allocation, in the first instance, for a Bid Amount of up to ₹ 200,000. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription was permitted from the Employee Reservation Portion.

(1) Our Company and the Selling Shareholders allocated up to 60% of the QIB Category to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis, subject to there being a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof will be permitted, subject to minimum allotment of ₹ 50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100 million. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received at or above the price at which allocation is made to Anchor Investors, which price was determined by the Company in consultation with the BRLMs.

(2) This Offer has been made through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations, where not more than 50% of the Net Offer was available for allocation on a proportionate basis to QIBs, provided that our Company and Selling Shareholders in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors, on a discretionary basis, of which one-third was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which Equity Shares are allocated to Anchor Investors. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) was made available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Category was made available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15.00% of the Net Offer was made available for allocation on a proportionate basis to Non-Institutional Bidders, of which (a) one third of such portion was reserved for applicants with application size of more than ₹200,000 and up to ₹ 1 million; and (b) two third of such portion was reserved for applicants with application size of more than ₹1 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Instiutional Bidders and not less than 35.00% of the Net Offer was made available for allocation to RIBs, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price

(3) In case of joint Bids, the Bid cum Application Form were required to contain only the name of the first Bidder whose name appeared as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder was required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.Full Bid Amount was paid by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price was required to be paid by the Anchor Investor Pay-In Date as indicated in the CAN.

(4) NII and employees applying up to ₹ 500,000 could have applied thorugh UPI Mode as per NPCI vide circular reference no. NPCI/UPI/OC No. 127/ 2021-22 dated December 09, 2021

Subject to valid Bids having been received at or above the Offer Price, undersubscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company, in consultation with the BRLMs, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion was not allowed to be met with spill over from other categories or a combination of categories.

OFFER PROCEDURE

All Bidders should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges, the Book Running Lead Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer especially in relation to the process for Bids by UPI Biddersthrough the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

*Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note ("**CAN**") and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.*

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs ("**UPI Phase III**"), as may be prescribed by SEBI. The Offer has been undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular, are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹0.5 million shall use the UPI Mechanism.*

Our Company, the Selling Shareholders, the Book Running Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document, and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus.

Further, our Company, the Selling Shareholders and the members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Offer.

Book Building Procedure

The Offer has been made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer was allocated on a proportionate basis to QIBs, provided that our Company and the Selling Shareholders allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) was made available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion was made available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. Further, not less than 15% of the Net Offer was made available for allocation on a proportionate basis to Non-Institutional Bidders, of which (a) one third of such portion was reserved for applicants with application size of more than ₹200,000 and up to ₹1 million; and (b) two third of such portion was reserved for applicants with application size of more than ₹1 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders, and not less than 35% of the Net Offer was made available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price.

The unsubscribed portion, if any, in the Employee Reservation Portion, was added back to the Net Offer. Subject to valid Bids having been received at or above the Offer Price, undersubscription, if any, in any category except the QIB Portion, was allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company, in consultation with the BRLMs, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion was not allowed to be met with spill-over from other categories or a combination of categories. Further, in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion was added to the Net Offer. In accordance with Rule 19(2)(b) of the SCRR, the Net Offer constitutes 20.37% of the post Offer paid-up Equity Share capital of our Company.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms, which did not have the details of the Bidders' depository account, including DP ID, Client ID, UPI ID (in case of UPI Bidders using the UPI Mechanism) and PAN, were treated as incomplete and were rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Phased implementation of unified payments interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was supposed to continue up till March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Under this phase, submission of the Bid cum Application Form by a RII through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

Phase III: Subsequently, under this phase, the time duration from public issue closure to listing would be reduced to be three Working Days.

Pursuant to the UPI Streamlining Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

The Offer was made under UPI Phase II of the UPI Circular.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Managers and the Book Running Lead Managers.

All SCSBs offering facility of making application in public issues also provided facility to make application using the UPI Mechanism. The issuers are to appoint SCSBs as sponsor banks to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Bidders into the UPI mechanism.

NPCI vide circular reference no. NPCI/UPI/OC No. 127/ 2021-22 dated December 09, 2021, inter alia, has enhanced the per transaction limit in UPI from ₹ 200,000 to ₹ 500,000 for UPI based Application Supported by Blocked Amount (ASBA) in Initial Public Offers(IPOs).

Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity

The processing fees for applications made by UPIBidders using the UPI Mechanism may be released to the remitter banks ("**SCSBs**") only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 read with SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus were available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form was also available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/ Issue Opening Date.

For Anchor Investors, the Bid cum Application Forms were available at the offices of the Book Running Lead Managers.

All Bidders (other than Anchor Investors) were required to mandatorily participate in the Issue only through the ASBA process. ASBA Bidders were required to provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIBs using third party bank account or using third party linked bank account UPI ID were liable for rejection. Anchor Investors were not permitted to participate in the Issue through the ASBA process. ASBA Bidders were required to ensure that the Bids were made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp were liable to be rejected. Since the Issue is made under Phase II of the 2018 Circular on Streamlining of Public Issues, ASBA Bidders could have submitted the ASBA Form in the manner below:

(i) RIBs (other than the RIBs using UPI Mechanism) could have submitted their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) UPI Bidders using the UPI Mechanism, could have submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(iii) QIBs and NIBs could have submitted their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

The prescribed colour of the Bid cum Application Form for the various categories was as follows:

Category	**Colour of Bid cum Application Form***
Resident Indians, including QIBs, Non-institutional Bidders and Retail Individual Bidders, each resident in India and Eligible NRIs applying on a non-repatriation basis^	White
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue
Anchor Investors**	White
Eligible Employees Bidding in the Employee Reservation Portion^^	Pink

**Excluding electronic Bid cum Application Form*

***Bid cum Application Forms for Anchor Investors were made available at the office of the Book Running Lead Managers.*

^Electronic Bid cum Application forms were also available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).

^^Bid cum Application Forms for Eligible Employees were also available at the Registered/ Corporate Office of the Company

The Designated Intermediaries (other than SCSBs) could submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and could not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs were required upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. Stock Exchanges validated the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and brought inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges allowed modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details alreadyuploaded.

For UPI Bidders using UPI mechanism, the Stock Exchanges shared the bid details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank initiated request for blocking of funds through NPCI to RIBs, who accepted accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI maintains an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders(using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the Bankers to the Offer) at whose end the lifecycle of the transaction has come to a halt. The NPCI was required to share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank and the Banker to the Offer. The Book Running Lead Managers were also required to obtain the audit trail from the Sponsor Bank and the Banker to the Offer for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the Managers in the format and within the timelines as specified under the UPI Circulars. The Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and the Sponsor Bank on a continuous basis.

Participation by our Promoter, Promoter Group, the Book Running Lead Managers, the Syndicate Member and persons related to Promoter/Promoter Group/the Book Running Lead Managers

The Book Running Lead Managers and the Syndicate Member were not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Managers and the Syndicate Member could Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis, and such subscription could be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Book Running Lead Managers and Syndicate Member, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Managers nor any associate of the Book Running Lead Managers could apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the Book Running Lead Managers;

(ii) insurance companies promoted by entities which are associate of the Book Running Lead Managers;

(iii) AIFs sponsored by the entities which are associate of the Book Running Lead Managers; or

(iv) FPIs sponsored by the entities which are associate of the Book Running Lead Managers.

Further, our Promoter and members of the Promoter Group could participate by applying for Equity Shares in the Offer. Further, persons related to the Promoter and Promoter Group could not apply in the Offer under the Anchor Investor Portion. However, a qualified institutional buyer who has any of the following rights in relation to the Company was deemed to be a person related to the Promoter or Promoter Group of our Company:

(v) rights under a shareholders agreement or voting agreement entered into with the Promoter or Promoter Group ofour Company;

(vi) veto rights; or

(vii) right to appoint any nominee director on our Board.

Further, an Anchor Investor was deemed to be an "associate of the Book Running Lead Managers " if:

(viii) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or

(ix) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or

(x) there is a common director, excluding nominee director, amongst the Anchor Investors, the Book Running Lead Managers.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate was required to be lodged with the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Managers, reserved the right to reject any Bid without assigning any reason, thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds were required to specifically state names of the concerned schemes for which such Bids are made. In case of a Mutual Fund, a separate Bid could be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund were not treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund under all its schemes could own more than 10% of any company's paid-up share capital carrying voting rights. No Mutual Fund scheme could 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% was not made applicable for investments in case of index funds or sector or industry specific scheme.

Bids by Eligible NRIs

Eligible NRIs could obtain copies of Bid cum Application Form from the GCBRLMs, Syndicate Member and sub-syndicate members at select locations as specified in the Bid cum Application Form. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms were required to authorise their SCSB to block their Non-Resident External ("**NRE**") accounts or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms were required to authorise their SCSB to block their Non- Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis were advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs Bidding on a repatriation basis were advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Eligible NRIs were not permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts.

For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 348. .

Participation of Eligible NRIs in the Offer was subject to the FEMA Rules.

Bids by HUFs

Bids by HUFs Hindu Undivided Families or HUFs, in the individual name of the karta. The Bidder/Applicant was required to specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the karta". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

Bids by FPIs

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations was required to be attached to the Bid cum Application Form, failing which our Company reserved the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue were advised to use the Bid cum Application Form for Non-Residents (blue in colour).

In terms of the FEMA Rules and Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations 2019 ("**SEBI FPI Regulations**"), investment in the Equity Shares by a single FPI or an investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% or common control) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up equity capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates, which is 100% under the automatic route subject to conditions specified by the concerned regulator, if any, since our Company operates in the sector of "Other Financial Services", which refers to financial services activities regulated by financial sector regulators, including the RBI, SEBI, IRDAI, PFRDA, etc., as notified by the Government of India. While the aggregate limit could have been decreased below the sectoral cap to a threshold limit of 24% or 49% or 74% as deemed fit by way of the approval of the Board followed by a special resolution passed by the Shareholders of our Company before March 31, 2020, our Company has not decreased such limit. In terms of the

FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

Bids by FPIs submitted under the multiple investment managers structure with the same PAN but with different beneficiary account numbers, Client ID and DP ID may not be treated as multiple Bids.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar to the Issue shall (i) use the PAN issued by the income tax department of the Government of India for checking compliance for a single FPI, and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time. FPIs were permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

(a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Further, Bids received from FPIs bearing the same PAN were treated as multiple Bids and were liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI FPI Regulations (such structure "**MIM Structure**") provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, were liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids were rejected. Further, in the following cases, Bids by FPIs were not treated as multiple Bids: (i) FPIs which utilise the MIM Structure, indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments ("**ODI**") which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as category 1 FPIs; and (vii) Entities registered as collective investment scheme having multiple share classes.

Participation of FPIs in the Issue was subject to the FEMA Rules.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance finds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million and pension funds with a minimum corpus of ₹250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable was required to be lodged along with the Bid cum Application Form. Failing this, our Company and Selling Shareholders reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers in their absolute discretion, reserved the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations, *inter alia,* prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Selling Shareholders, the Book Running Lead Managers will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the Offer was subject to the FEMA Rules.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission. Neither our Company nor the BRLMs will be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by Limited Liability Partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, was required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the Book Running Lead Managers reserved the right to reject any Bid without assigning any reason thereof.

Bids by Banking Companies

In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee was required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, (the "**Banking Regulation Act**"), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial services company cannot exceed 20% of the investee company's paid up share capital and reserves. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30%

of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non- financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer were required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs were required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account was required to be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI was required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the Book Running Lead Managers reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Offer were advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds with minimum corpus of ₹250 million, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund was required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the Book Running Lead Managers reserved the right to reject any Bid, without assigning any reason thereof.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of:
(i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis,
(iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, was required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer were required to comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Eligible Employees

The Bid must be for a minimum of 23 Equity Shares and in multiples of 23 Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 500,000 on a net basis. However, the initial allocation to an Eligible Employee in the Employee Reservation Portion could not exceed ₹ 200,000.

Allotment in the Employee Reservation Portion will be as detailed in the section "*Offer Structure*" on page 325.

However, Allotments to Eligible Employees in excess of ₹ 200,000 shall be considered on a proportionate basis, in the event of undersubscription in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000. Subsequent undersubscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer. Eligible Employees Bidding in the Employee Reservation Portion may Bid at the Cut-off Price.

Bids under the Employee Reservation Portion by Eligible Employees could be:

- Made only in the prescribed Bid cum Application Form or Revision Form (i.e. pink colour form).
- Only Eligible Employees (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) were eligible to apply in this Offer under the Employee Reservation Portion.
- In case of joint bids, the sole/ First Bidder was the Eligible Employee.
- Bids by Eligible Employees could be made at Cut-off Price.
- Only those Bids, which were received at or above the Offer Price were considered for allocation under this portion.
- If the aggregate demand in this portion is less than or equal to 113,835 Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- Bids by Eligible Employees in the Employee Reservation Portion and in the Net Offer portion were not treated as multiple Bids. Our Company reserved the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.
- Under-subscription, if any, in the Employee Reservation Portion was added back to the Net Offer.

If the aggregate demand in this portion is greater than 113,835 Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of Allotment, see "*Offer Procedure*" beginning on page 329.

Bids by Anchor Investors

(a) In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below. Anchor Investor Application Forms were made available for the Anchor Investor Portion at the offices of the BRLMs.

(b) The Bid was required be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid could not be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund were aggregated to determine the minimum application size of ₹ 100 million.

(c) One-third of the Anchor Investor Portion was reserved for allocation to domestic Mutual Funds.

(d) Bidding for Anchor Investors opened one Working Day before the Bid/ Offer Opening Date, and was completed on the same day.

(e) Our Company finalised allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

    (i) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;

    (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and

(iii) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.

(f) Allocation to Anchor Investors was completed on the Anchor Investor Bid/Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made was made available in the public domain by the BRLMs before the Bid/ Offer Opening Date, through intimation to the Stock Exchange.

(g) Anchor Investors were not permitted to withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion was locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion was locked in for a period of 30 days from the date of Allotment.

(i) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the BRLMs) applied in the Offer under the Anchor Investor Portion.

(j) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion were not considered multiple Bids

The information set out above is given for the benefit of the Bidders. Our Company, the Selling Shareholders, the Book Running Lead Managers are not liable for any amendments or modification or changes to applicable laws or regulations, which may have occurred after the date of this Prospectus. Bidders were advised to make their independent investigations and ensure that any single Bid from them did not exceed the applicable investment limits or maximum number of the Equity Shares that was held by them under applicable law or regulations, or as specified in the Draft Red Herring Prospectus the Red Herring Prospectus and this Prospectus.

General Instructions

Please note that QIBs and Non-Institutional Bidders were not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs were permitted to revise their Bid(s) during the Bid/Offer Period and withdraw or lower the size of their Bid(s) until Bid/Offer Closing Date. Anchor Investors were not allowed to withdraw their Bids after the Anchor Investor Bid/Offer Period.

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and this Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

3. Ensure that you have Bid within the Price Band;

4. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

5. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a UPI Bidder bidding using the UPI Mechanism in the Bid cum Application Form and if you are a UPI Bidderusing the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;

6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;

7. UPI Bidders Bidding in the Net Offer and Eligible Employee Bidding in the Employee Reservation Portion shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party

8. RIBs not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs;

9. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;

10. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms.

11. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Formshould contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

12. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or acknowledgment specifying the application number as a proof of having accepted the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

15. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

16. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure properupload of your Bid in the electronic Bidding system of the Stock Exchanges;

17. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;

18. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

19. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

20. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids

shall be rejected;

21. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidderss bidding through UPI mechanism) and PAN available in the Depository database;

22. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

23. Ensure that you have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid. In case of UPI Bidderssubmitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

24. Ensure that the Demographic Details are updated, true and correct in all respects;

25. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;

26. Bidders (except UPI Bidders Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of UPI Bidders, once the Sponsor Bank issues the Mandate Request, the UPI Bidderswould be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

27. Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a UPI BidderBidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the UPI BidderBidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBAAccount;

28. UPI Bidders bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;

29. UPI Bidders using the UPI Mechanism who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner;

30. Bids by Eligible NRIs for a Bid Amount of less than ₹200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹200,000 would be considered under the Non-Institutional Category for allocation in the Offer;

31. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidderss shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019; and

32. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date.

33. Investors were required to ensure that their PAN is linked with Aadhaar and were in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021

The Bid cum Application Form was liable to be rejected if the above instructions, as applicable, were not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which was not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 was liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid Lot;

2. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

3. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by RIBs) and ₹ 500,000 for Bids by Eligible Employees Bidding in the Employee Reservation Portion;

4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;

5. Do not Bid/ revise the Bid amount to less than the floor price or higher than the cap price;

6. Do not pay the Bid Amount in cheques, demand s or by cash, money order, postal order or by stockinvest;

7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediaryonly;

8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-InstitutionalBidders);

9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

10. Do not submit the Bid for an amount more than funds available in your ASBA account;

11. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

12. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

13. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus and this Prospectus;

15. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;

16. In case of ASBA Bidders (other than UPI Bidders using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;

17. Do not make the Bid cum Application Form using third party bank account or using third party linked bank

18. Anchor Investors should not bid through the ASBA process;

19. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;

20. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

21. Do not submit the GIR number instead of the PAN;

22. Anchor Investors should submit Anchor Investor Application Form only to the the Book Running Lead Managers;

23. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;

24. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid / Offer Closing Date;

25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder;

26. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are a UPI Bidderand are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;

27. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

28. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a UPI BidderBidding through the UPI Mechanism. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Offer;

29. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;

30. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIBs using the UPI Mechanism;

31. Do not Bid if you are an OCB;

32. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a banks which is not mentioned in the list provided in the SEBI website is liable to be rejected; and

33. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders Bidding using the UPI Mechanism.

For helpline details of the Book Running Lead Managers pursuant to the SEBI circular bearing number SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended, see "*General Information –Book Running Lead Managers*" on page 63.

The Bid cum Application Form were liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-issue or post issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to our Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance officer, see "*General Information*" beginning on page 62.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The post Offer BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked.

The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the Book Running Lead Managers and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange.

The allotment of Equity Shares to applicants other than to the RIBs, Non-Institutional Bidders (bidding for an amount of up to ₹ 1 million) and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each RIB shall not be less than the minimum bid lot, subject to the availability of shares in RIB category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Anchor Investor Escrow Accounts

Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers decided the list of Anchor Investors to whom the CAN was sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names was notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account was required to be drawn in favour of:

(a) In case of resident Anchor Investors: "PRUDENT CORPORATE ADVISORY SERVICES LIMITED-IPO-ANCHOR INVESTOR-R"

(b) In case of non-resident Anchor Investors: "PRUDENT CORPORATE ADVISORY SERVICES LIMITED-IPO-ANCHOR INVESTOR-NR "

Anchor Investors were advised to note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company has, after filing the Red Herring Prospectus with the RoC, published a pre-Offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in editions of Financial Express, an English national newspaper, editions of Jansatta, a Hindi national newspaper and editions of Jaihind, a Gujarati daily newspaper (Gujarati being the regional language of Gujarat, where our Registered

Office is located), each with wide circulation.

In the pre-Offer advertisement, we stated the Bid/Offer Opening Date and the Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, was in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment Advertisement

Our Company, the Book Running Lead Managers and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in editions of Financial Express, an English national newspaper, editions of Jansatta, a Hindi national newspaper and editions of Jaihind, a Gujarati daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation.

The information set out above was given for the benefit of the Bidders/applicants. Our Company, the Selling Shareholders, the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders/applicants were advised to make their independent investigations and ensure that the number of Equity Shares Bid for did not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and Filing with the RoC

(a) Our Company, the Selling Shareholders and the Underwriters have entered into an Underwriting Agreement dated May 14, 2022.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus is being filed with the RoC in accordance with applicable law, which is termed as the Prospectus. This Prospectus contains the details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and is complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

***shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/Offer Closing Date or within such other time period prescribed by SEBI will be taken;

- the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- if Allotment is not made within six working days from the Bid/Offer Closing Date or such other prescribed timelines under applicable laws, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and other applicable laws for the delayed period;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- the Promoter's contribution, if any, shall be brought in advance before the Bid/Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees, in accordance with the applicable provisions of the SEBI ICDR Regulations;

- that if our Company does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges shall be informed promptly;

- compliance with all disclosure and accounting norms as may be specified by SEBI from time to time;

- that if the Offer is withdrawn after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event a decision is taken to proceed with the Offer subsequently;

- that our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received

- no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the relevant ASBA Accounts on account of non-listing, under-subscription, etc.; and

- adequate arrangements shall be made to collect all Bid cum Application Forms from Bidders.

Undertakings by the Selling Shareholders

Each Selling Shareholder undertakes, severally and not jointly, in relation to itself and its respective portion of the Offered Shares that:

- its respective portion of the Offered Shares have been held by it for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus with SEBI, such period determined in accordance with Regulation 8 of the SEBI ICDR Regulations;

- it is the legal and beneficial owner of the Offered Shares, and that such Offered Shares shall be transferred in the Offer, free from liens, charges and encumbrances;

- it shall deposit the Equity Shares offered by it in the Offer in an escrow account opened with the Share Escrow Agent prior to the filing of the Red Herring Prospectus with the RoC;

- it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;

- it shall not have recourse to the proceeds of the Offer for Sale until final approval for trading of the Equity Shares from the Stock Exchanges has been received.

The statements and undertakings provided above, in relation to the Selling Shareholders, are statements which are specifically confirmed or undertaken, severally and not jointly, by each Selling Shareholder in relation to itself and its respective portion of the Offered Shares. All other statements or undertakings or both in this Prospectus in relation to the Selling Shareholders, shall be statements made by our Company, even if the same relate to the Selling Shareholders.

Utilisation of Net Proceeds

Our Company and the Selling Shareholders specifically confirm that all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Consolidated FDI Policy and FEMA and the circulars and notifications issued thereunder. The government bodies responsible for granting foreign investment approvals are the concerned ministries or departments of the Government of India and the RBI. 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. Up to 100% foreign investment under the automatic route is currently permitted in "Other Financial Services", which refers to financial services activities regulated by financial sector regulators, including the RBI, SEBI, IRDAI, PFRDA, etc., as notified by the Government of India, subject to conditions specified by the concerned regulator, if any. For details, see "*Key Regulations and Policies in India*" beginning on page 161.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as Department of Industrial Policy and Promotion) ("**DPIIT**"), issued the FDI Policy, which is effect from October 15, 2020, which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

Subject to certain provisions, the transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non- resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Rules which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder was required to intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Bid/Offer Period.

As per the existing policy of the Government, OCBs cannot participate in the Offer.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act"), or any state securities laws in the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations that may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

PRELIMINARY

Capitalized terms used in this section have the meanings that have been given to such terms in the Articles of Association of our Company. The Articles of Association of our Company comprise of two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other until the commencement of the listing of equity shares of our Company pursuant to the initial public offering of the equity shares of our Company. In case of inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall, subject to applicable law, prevail and be applicable. All articles of Part B shall automatically terminate and cease to have any force and effect from the date of listing of Equity Shares of the Company on a recognized stock exchange in India pursuant to the initial public offering of the equity shares of our Company and the provisions of Part A shall continue to be in effect and be in force, without any further corporate or other action, by the Company or by its shareholders. Pursuant to Schedule I of the Companies Act and the SEBI ICDR Regulations, the provisions of the Articles of Association of our Company are detailed below:

The following regulations comprised in these Articles of Association by way of Part A and Part B, were adopted pursuant to the special resolution passed at the annual general meeting of the Company held on July 23, 2021, in substitution for and to the entire exclusion of, the earlier regulations comprised in the existing Articles of Association of the Company.

APPLICABILITY OF TABLE 'F'

1. Subject to anything to the contrary hereinafter provided, the regulations contained in Table"F" in the First Schedule to the Companies Act, 2013, as amended from time to time, in sofar as they are applicable to a public company, will apply to the Company save in so far asthey are expressly or by implication excluded by these Articles. In case of any conflict between the provisions herein contained and the regulations contained in Table "F", the provisions herein will prevail.

2. The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, as amended from time to time, be such as are contained in these Articles.

3. The Articles of Association of the Company comprise of two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other until the commencement of the listing and trading of equity shares of the Company on any recognised stock exchange in India pursuant to an initial public offering of the equity shares of the Company (the "**IPO**" and the equity shares, the "Equity Shares" of the Company). In case of inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall, subject to applicable law, prevail and be applicable. All Articles of Part B shall automatically terminate and cease to have any force and effect and shall stand deleted and be deemed to be removed from the Articles of Association from the date of receipt of final listing and trading approvals from the stock exchanges for commencement of trading of the Equity Shares of the Company pursuant to the IPO and the provisions of Part A shall continue to be in effect and be in force, without any further corporate or other action, by the Company or by its shareholders.

PART A

DEFINITIONS AND INTERPRETATION

4. In these Articles, the following words and expressions, unless repugnant to the subject, shall meanthe following:

"***Act***" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.

"***Annual General Meeting***" means the annual general meeting of the Company convened and held in accordance with the Act.

"***Articles of Association***" **or** "***Articles***" mean these Articles of association of the Company, as maybe altered from time to time in accordance with the Act.

"***Board***" or "***Board of Directors***" means the board of directors of the Company in office at applicable times.

"***Company***" means Prudent Corporate Advisory Services Limited, a company incorporated under the laws of India.

"***Depository***" means a depository, as defined in clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996 and a company formed and registered under the Companies Act, 2013 andwhich has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.

"***Director***" shall mean any director of the Company, including alternate directors, Independent Directors and nominee directors appointed in accordance with and the provisions of these Articles.

"Effective Date" shall be such date on which the Equity Shares are listed on the Stock Exchanges, pursuant to the IPO.

"***Equity Shares or Shares***" shall mean the issued, subscribed and fully paid-up equity shares of the Company of Rs. 5 (Rupees five only) each;

"***Exchange***" shall mean BSE Limited and the National Stock Exchange of India Limited.

"***Extraordinary General Meeting***" means an extraordinary general meeting of the Company convened and held in accordance with the Act;

"***General Meeting***" means any duly convened meeting of the shareholders of the Company and any adjournments thereof;

"***IPO***" means the initial public offering of the Equity Shares of the Company;

"Investor" means the Wagner Limited, a company incorporated and registered under the laws of Republic of Mauritius, having its registered office at Sanne House, Bank Street, Twenty-Eight Cybercity, Ebène 72201, Republic of Mauritius

"***Member***" means the duly registered holder from time to time, of the shares of the Company and includes the subscribers to the Memorandum of Association and in case of shares held by a Depository, the beneficial owners whose names are recorded as such with the Depository;

"***Memorandum***" or "***Memorandum of Association***" means the memorandum of association of the Company, as may be altered from time to time;

"***Office***" means the registered office, for the time being, of the Company;

"***Officer***" shall have the meaning assigned thereto by the Act;

"***Ordinary Resolution***" shall have the meaning assigned thereto by the Act;

"***Register of Members***" means the register of members to be maintained pursuant to the provisionsof the Act and the register of beneficial owners pursuant to Section 11 of the Depositories Act, 1996, in case of shares held in a Depository;

"*Rules"* means the applicable rules for the time being in force as prescribed under relevant sections of the Act.and

"***Special Resolution***" shall have the meaning assigned thereto by the Act.

5. Except where the context requires otherwise, these Articles will be interpreted as follows:

(a) headings are for convenience only and shall not affect the construction or interpretation ofany provision of these Articles.

(b) where a word or phrase is defined, other parts of speech and grammatical forms and the cognate variations of that word or phrase shall have corresponding meanings;

(c) words importing the singular shall include the plural and vice versa;

(d) all words (whether gender-specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders;

(e) the expressions "hereof", "herein" and similar expressions shall be construed as referencesto these Articles as a whole and not limited to the particular Article in which the relevant expression appears;

(f) the *ejusdem generis* (of the same kind) rule will not apply to the interpretation of these Articles. Accordingly, ***include*** and ***including*** will be read without limitation;

(g) any reference to a ***person*** includes any individual, firm, corporation, partnership, company, trust, association, joint venture, government (or agency or political subdivision thereof) orother entity of any kind, whether or not having separate legal personality. A reference to any person in these Articles shall, where the context permits, include such person's executors, administrators, heirs, legal representatives and permitted successors and assigns;

(h) a reference to any document (including these Articles) is to that document as amended, consolidated, supplemented, novated or replaced from time to time;

(i) references made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the Ministry of Corporate Affairs. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Companies Act,2013 have been notified.

(j) a reference to a statute or statutory provision includes, to the extent applicable at any relevant time:

(i) that statute or statutory provision as from time to time consolidated, modified, re-enacted or replaced by any other statute or statutory provision; and

(ii) any subordinate legislation or regulation made under the relevant statute orstatutory provision;

(k) references to writing include any mode of reproducing words in a legible and non-transitoryform; and

(l) references to ***Rupees, Rs., Re., INR, ₹*** are references to the lawful currency of India.

SHARE CAPITAL AND VARIATION OF RIGHTS

6. AUTHORISED SHARE CAPITAL

The authorized share capital of the Company shall be such amount, divided into such class(es), denomination(s) and number of shares in the Company as stated in Clause V of the Memorandumof Association, with power to increase or reduce such capital from time to time and power to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the Articles of the Company, subject to the provisions of applicable law for the time being in force.

7. NEW CAPITAL PART OF THE EXISTING CAPITAL

Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall besubject to the provisions herein contained, with reference to the payment of calls and installments,forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

8. KINDS OF SHARE CAPITAL

The Company may issue the following kinds of shares in accordance with these Articles, the Act and other applicable laws:

(a) Equity share capital:

(i) with voting rights; and/or

(ii) with differential rights as to dividend, voting or otherwise in accordance with theAct; and

(b) Preference share capital.

9. SHARES AT THE DISPOSAL OF THE DIRECTORS

Subject to the provisions of the Act and these Articles, the shares in the capital of the Company (including any shares forming part of any increased capital of the Company) for the time being shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of all or any of such shares to such persons, in such proportion and on such terms and conditions andeither at a premium or at par or (subject to the compliance with the provision of section 53 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the company in the general meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board of Directors thinks fit, Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the general meeting.

10. ISSUE OF SHARES AS CONSIDERATION

The Board of Directors may issue and allot shares of the Company as payment in full or in part, for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in the acquisition and/or in the conduct of its business; and any shares which may be so allotted may be issued as fully paid up shares and if so issued shall be deemed as fully paid up shares.

11. SUB-DIVISION, CONSOLIDATION AND CANCELLATION OF SHARE CERTIFICATE

Subject to the provisions of the Act, the Company in its General Meetings may, by an Ordinary Resolution, from time to time:

(a) increase the share capital by such sum, to be divided into shares of such amount as it thinks appropriate;

(b) divide, sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that as between the holders of the shares resulting from such sub-division one or more of such shares have some preference or special advantage in relation to dividend, capital or otherwise as compared with the others;

(c) cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled;

(d) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; provided that any consolidation and division which results in changes in the voting percentage of Members shall require applicable approvals under the Act; and

(e) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.

12. FURTHER ISSUE OF SHARES

(1) Where at any time the Board or the Company, as the case may be, propose to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:

(A) to the persons who at the date of the offer are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares at the date;

(i) The offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as may be prescribed and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of deliveryto all the existing shareholders at least three days before the opening of the issue;

(ii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (i) shall contain a statement of this right;

(iii) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not dis-advantageous to the shareholders and the company.

(B) to employees under any scheme of employees' stock option subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under applicable law; or

(C) to any person(s), if it is authorized by a Special Resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either forcash or for a consideration other than cash, if the price of such shares is determinedby the valuation report of a registered valuer subject to such conditions as may be prescribed under the Act and the rules made thereunder;

(2) Nothing in sub-clause (ii) of Clause (1)(A) shall be deemed:

- To extend the time within which the offer should be accepted; or

- To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares compromised in the renunciation.

(3) Nothing in this Article shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:

Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.

(4) Notwithstanding anything contained in Article 12 (2) hereof, where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct thatsuch debentures or loans or any part thereof shall be converted into shares in the Companyon such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of suchloans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to theCompany, it may, within sixty days from the date of communication of such order, appealto National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the rules made thereunder.

13. TERM OF ISSUE OF DEBENTURE:

Subject to the applicable provisions of the Act and other applicable law, any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at a general meeting, appointment of nominee directors, etc. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in a general meeting by special resolution.

14. RIGHT TO CONVERT LOANS INTO CAPITAL

Notwithstanding anything contained in sub-clauses(s) of Article 12 above, but subject, however, to the provisions of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures or loans raised by the Company to convert such debentures or loans into shares or to subscribe for shares in the Company.

15. ALLOTMENT ON APPLICATION TO BE ACCEPTANCE OF SHARES

Any application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register of Members, shall, for the purpose of these Articles, be a Member.

16. RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT

The Board shall observe the restrictions as regards allotment of shares to the public contained in the Act, and as regards return on allotments, the Directors shall comply with applicable provisions of the Act.

17. MONEY DUE ON SHARES TO BE A DEBT TO THE COMPANY

The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, shall immediately on the inscription of the name of allottee in the Register as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

18. INSTALLMENTS ON SHARES

If, by the conditions of allotment of any shares, whole or part of the amount or issue price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, shall be the registered holder of the share or his legal representative.

19. MEMBERS OR HEIRS TO PAY UNPAID AMOUNTS

Every Member or his heirs, executors or administrators shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being remain unpaid thereon, in such amounts, at such time or times and in such manner, as the Board shall from time to time, in accordance with these Articles require or fix for the payment thereof.

20. VARIATION OF SHAREHOLDERS' RIGHTS

(a) If at any time the share capital of the Company is divided into different classes of shares, the rights attached to the shares of any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to provisions of the Act and whether or not the Company is being wound up, be varied with the consent in writing of the holders of not less than three-fourth of the issued shares of that class or with the sanction of a Special Resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.

(b) To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply.

(c) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

21. PREFERENCE SHARES

Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to Equity Shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.

(a) Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act, and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

(b) Convertible Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the

Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such shares into such securities on such terms as they may deem fit.

22. PAYMENTS OF INTEREST OUT OF CAPITAL

The Company shall have the power to pay interest out of its capital on so much of the shares which have been issued for the purpose of raising money to defray the expenses of the construction of any work or building for the Company in accordance with the Act.

23. AMALGAMATION

Subject to provisions of these Articles, the Company may amalgamate or cause itself to be amalgamated with any other person, firm or body corporate subject to the provisions of the Act.

SHARE CERTIFICATES

24. ISSUE OF CERTIFICATE

Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or sub-division, consolidation or renewal as the case may be within such other period as the conditions of issue shall provide -

(a) one certificate for all his shares without payment of any charges; or
(b) several certificates, each for one or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.

i. Every certificate shall be under the Seal, if any, and shall specify the number and distinctive numbers of shares to which it relates and the amount paid-up thereon, shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary.

Provided that in case the company has a common seal it shall be affixed in the presence of the persons required to sign the certificate.

ii. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders. Any Member of the Company shall have the right to sub-divide, split or consolidate the total number of Shares held by them in any manner and to request the Company to provide certificate(s) evidencing such sub-division, split or consolidation subject to process being followed by the members as per applicable law, rules & regulation (as amended from time to time).

iii. The provision of this Article shall mutatis mutandis apply to debentures of the Company.

25. RULES TO ISSUE SHARE CERTIFICATES

The Act shall be complied with in respect of the issue, reissue, renewal of share certificates and the format, sealing and signing of the certificates and records of the certificates issued shall be maintained in accordance with the said Act.

26. ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED

If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fees if the directors so decide, or on payment of such fees not exceeding ₹ 20 or such other amount payable under applicable law for each certificate as may be fixed by the Board. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf.

The Company will issue certificates or receipts or advices, as applicable, of subdivision, split, consolidation, renewal, exchanges, endorsements, issuance of duplicates thereof or issuance of new certificates or receipts or advices, as applicable, in cases of loss or old decrepit or worn out certificates or receipts or advices, as applicable within a period of thirty days from the date of such lodgement or such other time as mat be prescribed under applicable laws.

The provisions of this articles shall *mutatis mutandis* apply to debentures and preference shares of the Company.

UNDERWRITING & BROKERAGE

27. COMMISSION FOR PLACING SHARES, DEBENTURES, ETC.

(a) The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.

(b) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.

(c) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

LIEN

28. COMPANY'S LIEN ON SHARES / DEBENTURES

The company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the company's lien If any, on such shares/debentures.

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

The fully paid-up shares shall be free from all lien and in the case of partly paid up shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

29. LIEN TO EXTEND TO DIVIDENDS, ETC.

The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares / debentures.

30. ENFORCING LIEN BY SALE

The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen (14) days' after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency.

No Member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

31. VALIDITY OF SALE

To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

32. VALIDITY OF COMPANY'S RECEIPT

The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case maybe) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

33. APPLICATION OF SALE PROCEEDS

The proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

34. OUTSIDER'S LIEN NOT TO AFFECT COMPANY'S LIEN

In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by law) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

35. PROVISIONS AS TO LIEN TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.

The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

CALLS ON SHARES

36. BOARD TO HAVE RIGHT TO MAKE CALLS ON SHARES

The Board may subject to the provisions of the Act and any other applicable law, from time to time, make such call as it thinks fit upon the members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fouth of the nominal value of the share or be payable at less than one month or such time period as may be prescribed under applicable laws from the date fixed for the payment of the last preceding call. A call may be revoked or postponed at the discretion of the Board. The power to call on shares shall not be delegated to any other person except with the approval of the shareholders' in a General Meeting.

37. NOTICE FOR CALL

Each Member shall, subject to receiving at least fourteen (14) days' notice specifying the time or times, place and mode of payment, pay to the Company, at the time or times, place and mode so specified, the amount called on his shares.

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more Members as the Board may deem appropriate in any circumstances.

38. CALL WHEN MADE

The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is so determined a call shall be deemed to have been made at the date when the resolution authorizing such call was passed at the meeting of the Board and may be required to be paid in installments.

39. LIABILITY OF JOINT HOLDERS FOR A CALL

The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

40. CALLS TO CARRY INTEREST

If a Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at the rate of ten percent or such other lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member. The Board shall be at liberty to waive payment of any such interest wholly or in part.

41. DUES DEEMED TO BE CALLS

Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

42. EFFECT OF NON-PAYMENT OF SUMS

In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified

43. PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST

The Board –

(a) may, if it thinks fit, subject to the provisions of the Act, agree to and receive from any Member willing to advance the same, all or any partof the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. .

The Board may at any time repay the amount so advanced.

The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the company.

44. PROVISIONS AS TO CALLS TO APPLY MUTATIS MUTANDIS TO DEBENTURES,ETC.

The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

FORFEITURE OF SHARES

45. BOARD **TO HAVE A RIGHT TO FORFEIT SHARES**

If a Member fails to pay any call, or installment of a call or any money due in respect of any share,on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of thecall or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

46. NOTICE FOR FORFEITURE OF SHARES

The notice aforesaid shall:

(a) name a further day (not being earlier than the expiry of fourteen days from the date of services of the notice) on or before which the payment required by the notice is to be made;and

(b) state that, in the event of non-payment on or before the day so named, the shares in respectof which the call was made shall be liable to be forfeited.

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act.

47. RECEIPT OF PART AMOUNT OR GRANT OF INDULGENCE NOT TO AFFECT FORFEITURE

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

48. FORFEITED SHARE TO BE THE PROPERTY OF THE COMPANY

Any share forfeited in accordance with these Articles, shall be deemed to be the property of the Company and may be sold, re-allocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board thinks fit.

49. ENTRY OF FORFEITURE IN REGISTER OF MEMBERS

When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid

50. MEMBER TO BE LIABLE EVEN AFTER FORFEITURE

A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

51. EFFECT OF FORFEITURE

The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles expressly saved.

52. CERTIFICATE OF FORFEITURE

A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

53. TITLE OF PURCHASER AND TRANSFEREE OF FORFEITED SHARES

The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of. The transferee shall thereupon be registered as the holder of the share and the transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

54. VALIDITY OF SALES

Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and after his name has been entered in the Register of Members in respect of such shares the validity of the sale shall not be impeached by any person.

55. CANCELLATION OF SHARE CERTIFICATE IN RESPECT OF FORFEITED SHARES

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

56. BOARD ENTITLED TO CANCEL FORFEITURE

The Board may at any time before any share so forfeited shall have them sold, reallotted or otherwise disposed of, cancel the forfeiture thereof upon such conditions at it thinks fit.

57. SURRENDER OF SHARE CERTIFICATES

The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering them on such terms as they think fit.

58. SUMS DEEMED TO BE CALLS

The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

59. PROVISIONS AS TO FORFEITURE OF SHARES TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.

The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities, including debentures, of the Company

TRANSFER AND TRANSMISSION OF SHARES

60. REGISTER OF TRANSFERS

The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares. The Company shall also use a common form of transfer.

61. ENDORSEMENT OF TRANSFER

In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at its discretion, direct an endorsement of the transfer and the name of the transferee and other particulars on the existing share certificate and authorize any Director or Officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a fresh share certificate, in lieu of and in cancellation of the existing certificate in the name of the transferee.

The Board may delegate the power of transfer of securities to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent(s).

Provided that the board of directors and/or the delegated authority shall attend to the formalities pertaining to transfer of securities at least once in a fortnight:

Provided that the delegated authority shall report on transfer of securities to the Board in each meeting.

Provided further that, in accordance with applicable laws, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository

62. INSTRUMENT OF TRANSFER

(a) The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with inrespect of all transfer of shares and registration thereof. The Company shall use the form of transfer, as prescribed under the Act, in all cases. In case of transfer of shares, where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply.

(b) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

(c) The Board may, subject to the right of appeal conferred by the provisions of the Act decline to register—

i. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

ii. any transfer of shares on which the company has a lien.

(d) The Board may decline to recognize any instrument of transfer unless-

(i) the instrument of transfer is in the form prescribed under the Act;

(ii) the instrument of transfer is accompanied by the certificate of shares to which it relates, and such other evidence as the Board may reasonably require to show theright of the transferor to make the transfer; and

(iii) the instrument of transfer is in respect of only one class of shares.

(e) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

63. EXECUTION OF TRANSFER INSTRUMENT

Every such instrument of transfer shall be executed, both by or on behalf of both the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the Register of Members in respect thereof.

64. CLOSING REGISTER OF TRANSFERS AND OF MEMBERS

Subject to compliance with the Act and other applicable law, the Board shall be empowered, on giving not less than seven (7) days' notice or such period as may be prescribed, to close the transfer books, Register of Members, the register of debenture holders at such time or times, and for such period or periods, not exceeding thirty (30) days at a time and not exceeding an aggregate forty five (45) days in each year as it may seem expedient.

65. DIRECTORS MAY REFUSE TO REGISTER TRANSFER

Subject to the provisions of the Act, Securities Contracts (Regulation) Act, 1956 or any law for the time being in force and these Articles , the Board may (at its own absolute and uncontrolled discretion) decline or refuse by giving reasons, whether in pursuance of any power of the Company under these Articles, applicable laws, or otherwise, to register or acknowledge any transfer of, or the transmission by operation of law of the right to, any securities or interest of a Member in the Company, after providing sufficient cause, within a period of (i) fifteen days, in case of transfer of shares, (ii) seven days in case of transmission of shares held in dematerialied form, or (iii) twenty one days in case of transmission of shares held in physical form, or such other time period as prescribed under applicable laws for transfer or transmission of securities, from the date on which the instrument oftransfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send to the transferee and transferor notice of the refusal. Provided that the registration of transfer of any securities shall not be refused on the ground of thetransferor being alone or jointly with any other person or persons, indebted to the Company on anyaccount whatsoever except where the Company has a lien on shares. Transfer of shares/debenturesin whatever lot shall not be refused.

66. TRANSFER OF PARTLY PAID SHARES

Where in the case of partly paid shares, an application for registration is made by the transferor alone, the transfer shall not be registered, unless the Company gives the notice of the application to the transferee in accordance with the provisions of the Act and the transferee gives no objection to the transfer within the time period prescribed under the Act.

67. TITLE TO SHARES OF DECEASED MEMBERS

The executors or administrators or the holders of a succession certificate issued in respect of the shares of a deceased Member and not being one of several joint holders shall be the only person whom the Company shall recognize as having any title to the shares registered in the name of such Members and in case of the death of one or more of the joint holders of any registered share, the survivor or survivors shall be entitled to the title or interest in such shares but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. Provided nevertheless that in case the Directors, in their absolute discretion think fit, it shall be lawful for the Directors to dispense with the production of a probate or letters of administration or a succession certificate or such other legal representation upon such terms (if any) (as to indemnify or otherwise) as the Directors may consider necessary or desirable.

68. TRANSFERS NOT PERMITTED

No share shall in any circumstances be transferred to any infant, insolvent or a person of unsound mind, except fully paid shares through a legal guardian.

69. TRANSMISSION OF SHARES

Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Members, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article, or of his title, elect to either be registered himself as holder of the shares or elect to have some person nominated by him and approved by the Board, registered as such holder or to make such transfer of the share as the deceased or insolvent member could have made. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. Provided, nevertheless,if such person shall elect to have his nominee registered, he shall testify that election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of the shares. Further, all limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as ifthe death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

70. RIGHTS ON TRANSMISSION

A person becoming entitled to a share by transmission shall, reason of the death or insolvency of the holder shall entitled to the same dividends and other advantages to which he would be entitled if he were the registered holderof the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may at any time give a notice requiring any such person to elect either tobe registered himself or to transfer the share and if the notice is not complied with within ninety (90) days, the Board may thereafter withhold payment of all dividends, bonus or other moneyspayable in respect of such share, until the requirements of notice have been complied with

71. SHARE CERTIFICATES TO BE SURRENDERED

Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with (save as provided in the Act) properly stamped and executed instrument of transfer.

72. COMPANY NOT LIABLE TO NOTICE OF EQUITABLE RIGHTS

The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable rights, title or interest in the said shares, notwithstanding that the Company may have had notice of such equitable rights referred thereto in any books of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable rights, title or interest or be under any liability whatsoever for refusingor neglecting to do so, though it may have been entered or referred to in some book of the Companybut the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

73. TRANSFER AND TRANSMISSION OF DEBENTURES

The provisions of these Articles, shall, *mutatis mutandis*, apply to the transfer of or the transmission by law of the right to any securities including, debentures of the Company.

SHARE WARRANTS AND ALTERATION OF CAPITAL

74. RIGHTS TO ISSUE SHARE WARRANTS

The Company may issue share warrants subject to, and in accordance with provisions of the Act. The Board may, in its discretion, with respect to any share which is fully paid up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence(if any) as the Board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require having been paid, issue a warrant.

75. BOARD TO MAKE RULES

The Board may, from time to time, make rules as to the terms on which it shall think fit, a new warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

76. SHARES MAY BE CONVERTED INTO STOCK

Where shares are converted into stock:

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of theshares from which the stock arose;

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;

(c) such of the Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder"/"Member" shall include "stock" and "stock-holder" respectively.

77. REDUCTION OF CAPITAL

The Company may, by a Special Resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act—

(a) its share capital; and/or

(b) any capital redemption reserve account; and/or

(c) any share premium account

and in particular without prejudice to the generality of the foregoing power may be:

(i) extinguishing or reducing the liability on any of its shares in respect of share capital not paid up;

(ii) either with or without extinguishing or reducing liability on any of its shares, cancel paid up share capital which is lost or is unrepresented by available assets;

or

(ii) either with or without extinguishing or reducing liability on any of its shares, pay off any paid up share capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum,by reducing the amount of its share capital and of its shares accordingly.

DEMATERIALISATION AND BUYBACKS

78. DEMATERIALISATION OF SECURITIES

(a) The Company shall recognize interest in dematerialized securities under the Depositories Act, 1996.

Subject to the provisions of the Act, either the Company or the investor may exercise an option to issue (in case of the Company only), deal in, hold the securities (including shares)with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event, the rights and obligations of the parties concerned and matters connected therewith or incidental thereof shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification(s)thereto or re-enactment thereof, the Securities and Exchange Board of India (Depositoriesand Participants) Regulations, 2018 and other Applicable Law.

(b) Dematerialization/Re-materialization of securities

Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialize its existing securities, re materialize its securities held in Depositories and/or offer its fresh securities in the dematerialized form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

(c) Option to receive security certificate or hold securities with the Depository

Every person subscribing to or holding securities of the Company shall have the option toreceive the security certificate or hold securities with a Depository. Where a person opts tohold a security with the Depository, the Company shall intimate such Depository of the details of allotment of the security and on receipt of such information, the Depository shall enter in its Record, the name of the allottees as the beneficial owner of that Security.

(d) Securities in electronic form

All securities held by a Depository shall be dematerialized and held in electronic form. No certificate shall be issued for the securities held by the Depository.

(e) Beneficial owner deemed as absolute owner

Except as ordered by a court of competent jurisdiction or by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such securities or (except only as by these Articles otherwise expressly provided) any right in respect of a security other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any security in the joint names of any two or more persons or the survivor or survivors of them.

(f) Register and index of beneficial owners

The Company shall cause to be kept a register and index of members with details of securities held in materialized and dematerialized forms in any media as may be permitted by law including any form of electronic media. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members, resident in that state or country.

79. BUY BACK OF SHARES

Notwithstanding anything contained in these Articles, but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

GENERAL MEETINGS

80. ANNUAL GENERAL MEETINGS

(a) The Company shall in each year hold a General Meeting as its Annual General Meeting inaddition to any other meeting in that year.

(b) An Annual General Meeting of the Company shall be held in accordance with the provisions of the Act.

81. EXTRAORDINARY GENERAL MEETINGS

All General Meetings other than the Annual General Meeting shall be called "Extraordinary General Meeting". Provided that, the Board may, whenever it thinks fit, call an Extraordinary General Meeting.

If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

82. EXTRAORDINARY MEETINGS ON REQUISITION

The Board shall, on the requisition of Members, convene an Extraordinary General Meeting of the Company in the circumstances and in the manner provided under the Act.

83. NOTICE FOR GENERAL MEETINGS

All General Meetings shall be convened by giving not less than clear twenty one (21) days' notice, in such manner as is prescribed under the Act, specifying the place, date and hour of the meeting and a statement of the business proposed to be transacted at such a meeting, in the manner mentioned in the Act. Notice shall be given to all the Members and to such persons as are under the Act and/or these Articles entitled to receive such notice from the Company but any accidental omission to give notice to or non-receipt of the notice by any Member or other person to whom it should be given shall not invalidate the proceedings of any General Meetings.

The Members may participate in General Meetings through such modes as permitted by applicable laws.

84. SHORTER NOTICE ADMISSIBLE

Upon compliance with the relevant provisions of the Act, an Annual General Meeting or any General Meeting may be convened by giving a shorter notice than twenty one (21) days.

85. CIRCULATION OF MEMBERS' RESOLUTION

The Company shall comply with provisions of Section 111 of the Act, as to giving notice of resolutions and circulating statements on the requisition of Members.

86. SPECIAL AND ORDINARY BUSINESS

a) Subject to the provisions of the Act, all business shall be deemed special that is transacted at the Annual General Meeting with the exception of declaration of any dividend, the consideration of financial statements and reports of the Directors and auditors, the appointment of Directors in place of those retiring and the appointment of and fixing of the remuneration of the auditors. In case of any other meeting, all business shall be deemed to be special.

b) In case of special business as aforesaid, an explanatory statement as required under the applicable provisions of the Act shall be annexed to the notice of the meeting.

87. QUORUM FOR GENERAL MEETING

Five (5) Members or such other number of Members as required under the Act or the applicable law for the time being in force prescribes, personally present shall be quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the meeting.

88. TIME FOR QUORUM AND ADJOURNMENT

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting, a quorum is not present, the meeting, if called upon the requisition of Members, shall be cancelled and in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine. If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be quorum and may transact the business for which the meeting was called.

89. CHAIRMAN OF GENERAL MEETING

The chairman, if any, of the Board of Directors shall preside as chairman at every General Meeting of the Company.

90. ELECTION OF CHAIRMAN

Subject to the provisions of the Act, if there is no such chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the Directors present shall elect another Director as chairman and if no Director be present or if all the Directors decline to take the chair, then the Members present shall choose a Member to be the chairman.

91. ADJOURNMENT OF MEETING

Subject to the provisions of the Act, the chairman of a General Meeting may, with the consent given in the meeting at which a quorum is present (and shall if so directed by the meeting) adjourn that meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When the meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as nearly to the original meeting, as may be possible. Save as aforesaid and as provided in Section 103 of the Act, it shall not be necessary to give any notice of adjournment of the business to be transacted at an adjourned meeting.

92. VOTING AT MEETING

At any General Meeting, a demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand. Further, no objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General Meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairperson of the General Meeting, whose decision shall be final and conclusive.

93. DECISION BY POLL

If a poll is duly demanded in accordance with the provisions of the Act, it shall be taken in such manner as the chairman directs and the results of the poll shall be deemed to be the decision of the meeting on the resolution in respect of which the poll was demanded.

94. CASTING VOTE OF CHAIRMAN

In case of equal votes, whether on a show of hands or on a poll, the chairman of the General Meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled to as a Member.

95. PASSING RESOLUTIONS BY POSTAL BALLOT

(a) Notwithstanding any of the provisions of these Articles, the Company may, and in the caseof resolutions relating to such business as notified under the Act, to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting thebusiness in the General Meeting of the Company.

(b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under the Act.

(c) If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a General Meeting convened in that behalf.

VOTE OF MEMBERS

96. VOTING RIGHTS OF MEMBERS

Subject to any rights or restrictions for the time being attached to any class or classes of shares:

(a) On a show of hands every Member holding Equity Shares and present in person shall haveone vote.

(b) On a poll, every Member holding Equity Shares therein shall have voting rights in proportion to his share in the paid up equity share capital of the Company.

(c) A Member may exercise his vote at a meeting by electronic means in accordance with theAct and shall vote only once.

97. VOTING BY JOINT-HOLDERS

i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

98. VOTING BY MEMBER OF UNSOUND MIND

A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or legal guardian may, on a poll, vote by proxy.

99. NO RIGHT TO VOTE UNLESS CALLS ARE PAID

No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien.

100. PROXY

Any Member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

101. INSTRUMENT OF PROXY

An instrument appointing a proxy shall be in the form as prescribed under the Act for this purpose. The instrument appointing a proxy shall be in writing under the hand of appointer or of his attorney duly authorized in writing or if appointed by a body corporate either under its common seal or under the hand of its officer or attorney duly authorized in writing by it. Any person whether or not he is a Member of the Company may be appointed as a proxy.

The instrument appointing a proxy and power of attorney or other authority (if any) under which it is signed or a notarized copy of that power or authority must be deposited at the Office of the Company not less than forty eight (48) hours prior to the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

102. VALIDITY OF PROXY

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

103. CORPORATE MEMBERS

Any corporation which is a Member of the Company may, by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Member of the Company (including the right to vote by proxy).

DIRECTOR

104. NUMBER OF DIRECTORS

Unless otherwise determined by General Meeting, the number of Directors shall not be less than three (3) and not more than fifteen (15), and at least one (1) Director shall be resident of India in the previous year.

Provided that the Company may appoint more than fifteen (15) directors after passing a Special Resolution.

Further, the Investor shall at all the times have the right to appoint one Director on the Board (for so long as it holds at least 5% of the issued and paid up share capital of the Company calculated on a fully diluted basis) ("Investor Director"), which shall not be liable to retire by rotation, subject to the receipt of shareholders' approval through a special resolution by the shareholders, in the first general meeting of the Company held after the Effective Date.

105. SHARE QUALIFICATION NOT NECESSARY

Any person whether a Member of the Company or not may be appointed as Director and no qualification by way of holding shares shall be required of any Director.

106. ADDITIONAL DIRECTORS

Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

107. ALTERNATE DIRECTORS

(a) The Board may, appoint a person, not being a person holding any alternate directorship for any other director in the Company, to act as an alternate director for a director during his absence for a period of not less than 3 (three) months from India (hereinafter in this Article called the "**Original Director**")

(b) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he returns to India the automatic re-appointment of retiring directors indefault of another appointment shall apply to the Original Director and not to the alternatedirector.

Provided no person shall be appointed or continue as an alternate director for an independent director.

108. APPOINTMENT OF DIRECTOR TO FILL A CASUAL VACANCY

If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board which shall be subsequently approved by members in the immediate next general meeting. The director so appointed shall hold office only up to the date which the director in whose place he is appointed would have held office if it had not been vacated.

109. REMUNERATION OF DIRECTORS

(a) A Director (other than a managing Director or whole-time Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of Directors or any committee thereof attended by him. The remuneration of Directors including managing Director and/or whole-time Director may be paid in accordance with the applicable provisions of the Act.

(b) The Board of Directors may allow and pay or reimburse any Director who is not a bona fide resident of the place where a meeting of the Board or of any committee is held and who shall come to such place for the purpose of attending such meeting or for attending itsbusiness at the request of the Company, such sum as the Board may consider fair compensation for travelling, and out-of-pocket expenses and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business he shall be entitled to be reimbursed any travelling or other expenses incurred in connection with the business of the Company.

(c) The managing Directors/ whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business ofthe Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

(d) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(e) The Board may pay all expenses incurred in getting up and registering the company.

110. REMUNERATION FOR EXTRA SERVICES

If any Director, being willing, shall be called upon to perform extra services or to make any special exertions (which expression shall include work done by Director as a Member of any committee formed by the Directors) in going or residing away from the town in which the Office of the Company may be situated for any purposes of the Company or in giving any special attention to the business of the Company or as member of the Board, then subject to the provisions of the Act,the Board may remunerate the Director so doing either by a fixed sum, or by a percentage of profitsor otherwise and such remuneration, may be either in addition to or in substitution for any other remuneration to which he may be entitled.

111. CONTINUING DIRECTOR MAY ACT

The continuing Directors may act notwithstanding any vacancy in the Board, but if the number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company, but for no other purpose.

112. VACATION OF OFFICE OF DIRECTOR

The office of a Director shall be deemed to have been vacated under the circumstances enumerated under Act.

ROTATION AND RETIREMENT OF DIRECTOR

113. ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR

Subject to Articles and provisions of the Act, at the Annual General Meeting of the Company to be held in every year,one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless that the managing director appointed orthe Directors appointed as a debenture director under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

114. RETIRING DIRECTORS ELIGIBLE FOR RE-ELECTION

A retiring Director shall be eligible for re-election and the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid, may fill up the vacated office by electing a person thereto.

115. WHICH DIRECTOR TO RETIRE

The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lots.

116. POWER TO REMOVE DIRECTOR BY ORDINARY RESOLUTION

Subject to the provisions of the Act, the Company may by an Ordinary Resolution in General Meeting, remove any Director before the expiration of his period of office and may, by an Ordinary Resolution, appoint another person instead.

Provided that an independent director re-appointed for second term under the provisions of the Act shall be removed by the company only by passing a Special Resolution and after giving him a reasonable opportunity of being heard.

117. DIRECTORS NOT LIABLE FOR RETIREMENT

The Company in General Meeting may, when appointing a person as a Director declare that his continued presence on the Board of Directors is of advantage to the Company and that his office as Director shall not be liable to be determined by retirement by rotation for such period or until the happening of any event of contingency set out in the said resolution.

118. DIRECTOR FOR COMPANIES PROMOTED BY THE COMPANY

Directors of the Company may be or become a director of any company promoted by the Companyor in which it may be interested as vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company subject to compliance with applicable provisions of the Act.

PROCEEDINGS OF BOARD OF DIRECTORS

119. MEETINGS OF THE BOARD

(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(b) Subject to provisions of the Act and SEBI Listing Regulations, the Board of Directors shall meet at least once in every three (3) months with a maximumgap of four (4) months between two (2) meetings of the Board for the dispatch of business,adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year. Placeof meetings of the Board shall be at a location determined by the Board at its previous meeting, or if no such determination is made, then as determined by the chairman of the Board.

(c) The chairman may, at any time, and the secretary or such other Officer of the Company asmay be authorized in this behalf on the requisition of Director shall at any time summon ameeting of the Board. Notice of at least seven (7) days in writing of every meeting of the Board shall be given to every Director and every alternate Director at his usual address whether in India or abroad, provided always that a meeting may be convened by a shorternotice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting and in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director, if any.

(d) The notice of each meeting of the Board shall include

(i) the time for the proposed meeting;
(ii) the venue for the proposed meeting; and
(iii) an agenda setting out the businessproposed to be transacted at the meeting.

(e) To the extent permissible by applicable law, the Directors may participate in a meeting ofthe Board or any committee thereof, through electronic mode, that is, by way of video conferencing i.e., audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Any Director participating in a meeting through the use of video conferencing shall be counted for the purpose of quorum.

(f) Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

120. QUESTIONS AT BOARD MEETING HOW DECIDED

Questions arising at any time at a meeting of the Board shall be decided by majority of votes and in case of equality of votes, the Chairman, in his absence the Vice Chairman or the Director presiding shall have a second or casting vote.

121. QUORUM

Subject to the provisions of the Act, the quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

At any time the number of interested Directors is equal to or exceeds two-thirds of total strength, the number of remaining Directors, that is to say the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of Board after deducting there from the number of Directors, if any, whose places are vacant at the time. The term 'interested director' means any Director whose presence cannot, by reason of applicable provisions of the Act be counted for the purpose of forming a quorum at meeting of the Board, at the time of the discussion or vote on the concerned matter or resolution.

122. ADJOURNED MEETING

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting of the Board, a quorum is not present, the meeting, shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine.

123. ELECTION OF CHAIRMAN OF BOARD

(a) The Board may elect a chairman of its meeting and determine the period for which he is tohold office.

(b) If no such chairman is elected or at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one among themselves to be the chairman of the meeting.

124. POWERS OF DIRECTORS

(a) The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act or any other applicable law, or by the Memorandum or by the Articles required to be exercised by the Company in a General Meeting, subject nevertheless to these Articles, to the provisions of the Act or any other applicable law and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in a General Meeting; but no regulation made by the Company in a General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

(b) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case maybe, by such person and in such manner as the Board shall from time to time by resolution determine.

125. DELEGATION OF POWERS

(a) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such members of its body as it thinks fit.

(b) Any committee so formed shall, in the exercise of the power so delegated conform to any regulations that may be imposed on it by the Board.

126. ELECTION OF CHAIRMAN OF COMMITTEE

(a) A committee may elect a chairman of its meeting. If no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be the chairman of the committee meeting.

(b) The quorum of a committee may be fixed by the Board of Directors.

127. QUESTIONS HOW DETERMINED

(a) A committee may meet and adjourn as it thinks proper.

(b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present as the case may be and in case of equality of vote, the chairman shall have a second or casting vote, in addition to his vote as a member of the committee.

128. VALIDITY OF ACTS DONE BY BOARD OR A COMMITTEE

All acts done by any meeting of the Board, of a committee thereof, or by any person acting as a Director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid or that they or any of them were disqualified be as valid as if even such Director or such person has been duly appointed and was qualified to be a Director.

129. RESOLUTION BY CIRCULATION

Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the committee then in India, not being less in number than the quorum fixed of the meeting of the Board or the committee, as the case may be and to all other Directors or Members at their usual address in India and approved by such of the Directors as are then in India or by a majority of such of them as are entitled to vote at the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or committee duly convened and held.

130. MAINTENANCE OF FOREIGN REGISTER

The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of those Sections) make and vary such regulations as it may think fit respecting the keeping of any register.

131. BORROWING POWERS

(a) Subject to the provisions of the Act and these Articles, the Board may from time to time attheir discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this Company or any other company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities; provided however, that the moneys to be borrowed, together with the money already borrowed by the Company apart from temporary loans obtained from the Company's bankers in the ordinary course of business shall not, without the sanction of the Company by a Special Resolution at a General Meeting, exceed the aggregate of the paid up capital of the Company and its free reserves. Provided that every Special Resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow shall specify the total amount up to which moneys may be borrowed by the Board of Directors.

(b) The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or managing Director or to any other person permitted by applicable law, if any, within the limits prescribed.

(c) To the extent permitted under the applicable law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate, and he same shall be in the interests of the Company.

(c) Any bonds, debentures, debenture-stock or other securities may if permissible under applicable law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, attending (but not voting) in the General Meeting, appointment of Directors or otherwise. Provided that debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

132. NOMINEE DIRECTORS

(a) Subject to the provisions of the Act, so long as any moneys remain owing by the Company to Financial Institutions regulated by the Reserve Bank of India, State Financial Corporation or any financial institution owned or controlled by the Central Government or State Government or any Non-Banking Financial Company regulated by the Reserve Bank of India or any such company from whom the Company has borrowed for the purpose of carrying on its objects or each of the above has granted any loans / or subscribes to the debentures of the Company or so long as any of the aforementioned companies of financial institutions holds or continues to hold debentures /shares in the Company as a result of underwriting or by direct subscription or private placement or so long as any liability of the Company arising out of any guarantee furnished on behalf of the Company remains outstanding, and if the loan or other agreement with such institution/ corporation/ company (hereinafter referred to as the "**Corporation**") so provides, the Corporation may, in pursuance of the provisions of any law for the time being in force or of any agreement, have a right to appoint from time to time any person or persons as a Director or Directors whole-time or non whole-time (which Director or Director/s is/are hereinafter referred to as "Nominee Directors/s") on the Board of the Company and to remove from such office any person or person so appointed and to appoint any person or persons in his /their place(s).

(b) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board meetings and of the meetings of the committee of which Nominee Director/s is/are member/s as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.

(c) The Company may pay the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees commission, monies or remuneration in any form is payable to the Directors of the Company the fees, commission, monies and remuneration in relation to such Nominee Director/s may accrue to the nominee appointer and same shall accordingly be paid by the Company directly to the Corporation.

(d) Provided that the sitting fees, in relation to such Nominee Director/s shall also accrue to the appointer and same shall accordingly be paid by the Company directly to the appointer.

133. REGISTER OF CHARGES

The Directors shall cause a proper register to be kept, in accordance with the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified.

134. MANAGING DIRECTOR(S) AND/OR WHOLE TIME DIRECTORS

(a) The Board may from time to time and with such sanction of the Central Government as may be required by the Act, appoint one or more of the Directors to the office of the managing director and/ or whole time directors for such term and subject to such remuneration, terms and conditions as they may think fit.

(b) The Directors may from time to time resolve that there shall be either one or more managing directors and/ or whole-time directors.

(c) In the event of any vacancy arising in the office of a managing director and/or whole time director, the vacancy shall be filled by the Board of Directors subject to the approval of the Members.

(d) If a managing director and/or whole time director ceases to hold office as Director, he shall ipso facto and immediately cease to be managing director/whole time director.

(e) The managing director and/or whole time director shall not be liable to retirement by rotation as long as he holds office as managing director or whole-time director.

135. POWERS AND DUTIES OF MANAGING DIRECTOR OR WHOLE-TIME DIRECTOR

The managing director/whole time director shall subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable underthese Articles by the Board of Directors, as they may think fit and confer such power for such timeand to be exercised as they may think expedient and they may confer such power either collaterallywith or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The managing Directors/ whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction.

136. REIMBURSEMENT OF EXPENSES

The managing Directors\whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that theymay pay to such part time employees.

137. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Subject to the provisions of the Act —

(a) A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board.

(b) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. Further, subject to provisions of the Act, an individual may be appointed or reappointed as the chairperson of the Company as well as the managing Director or chief executive officer ofthe Company at the same time.

(c) A provision of the Act or the Articles requiring or authorizing a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as a Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

COMMON SEAL

138. CUSTODY OF COMMON SEAL

The Board shall provide for the safe custody of the common seal for the Company and they shall have power from time to time to destroy the same and substitute a new seal in lieu thereof.

139. SEAL HOW AFFIXED

The Directors shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of the seal for the time being and the seal shall never be used except by or under the authority of the Directors or a committee of the Directors previously given, and in the presence of atleast two Directors and of the company secretary or such other person duly authorized by the Directors or a committee of the Directors, who shall sign every instrument to which the seal is so affixed in his presence.

The Company may exercise the powers conferred by the Act with regard to having an official seal for use abroad and such powers shall accordingly be vested in the Directors or any other person duly authorized for the purpose.

DIVIDEND AND RESERVE

140. COMPANY IN GENERAL MEETING MAY DECLARE DIVIDENDS

The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

141. INTERIM DIVIDENDS

Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit and as appear to it to be justified by the profits of the company.

142. RIGHT TO DIVIDEND AND UNPAID OR UNCLAIMED DIVIDEND

(a) Where capital is paid in advance of calls, such capital, whilst carrying interest, shall not confer a right to dividend or to participate in the profits.

(b) Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account of Prudent Corporate Advisory Services Limited".

(c) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall betransferred by the Company to the fund known as Investor Education and Protection Fundestablished under the Act. Provided that any claimant of Shares so transferred shall be entitled to claim the transfer of Shares from Investor Education and Protection Fund in accordance with such procedure and on submission of such documents as may be prescribed.

(d) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law and such forfeiture, if effected, shall be annulled in appropriate cases.

(e) All other provisions under the Act will be complied with in relation to the unpaid or unclaimed dividend.

143. DIVISION OF PROFITS

(a) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the sharesin respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

(b) No amount paid or credited as paid on a share in advance of calls shall while carrying interest be treated for the purpose of this Article as paid on the share, including to confer a right to dividend or to participate in profits.

144. DIVIDENDS TO BE APPORTIONED

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

145. RESERVE FUNDS

(a) The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends and pending such application, may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) asthe Board may, from time to time think fit.

(b) The Board may also carry forward any profits when it may consider necessary not to divide, without setting them aside as a reserve.

146. DEDUCTION OF ARREARS

Subject to the Act, no Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares of or otherwise howsoever whether alone or jointly with any other person or persons and the Board may deduct from any dividend payable to any Members all sums of money, if any, presently payable by him to the Company on account of the calls or otherwise in relation to the shares of the Company.

147. RETENTION OF DIVIDENDS

The Board may retain dividends payable upon shares in respect of which any person is, under terms of these Articles, entitled to become a Member, until such person shall become a Member in respect of such shares.

Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

148. RECEIPT OF JOINT HOLDER

Any one of two or more joint holders of a share may give effective receipt for any dividends, bonuses or other moneys payable in respect of such shares.

149. DIVIDEND HOW REMITTED

Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

150. DIVIDENDS NOT TO BEAR INTEREST

No dividends shall bear interest against the Company.

151. TRANSFER OF SHARES AND DIVIDENDS

Subject to the provisions of the Act, any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

CAPITALISATION OF PROFITS

152. CAPITALISATION OF PROFITS

(a) The Company in General Meeting, may, on recommendation of the Board resolve:

(i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution; and

(ii) that such sum be accordingly set free for distribution in the manner specified in the sub-clause (b) amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportion.

(b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in sub-clause (c) below, either in or towards:

(i) paying up any amounts for the time being unpaid on shares held by such Members respectively;

(ii) paying up in full, unissued share of the Company to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportions aforesaid; or

(iii) partly in the way specified in sub-clause (i) and partly that specified in sub - clause (ii).

(iv) A securities premium account and a capital redemption reserve account or any other permissible reserve account may be applied as permitted under the Act in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares.

(v) The Board shall give effect to the resolution passed by the Company in pursuance of these Articles

153. POWER OF DIRECTORS FOR DECLARATION OF BONUS ISSUE

(a) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and

(ii) generally do all acts and things required to give effect thereto.

(b) The Board shall have full power:

(i) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions; and

(ii) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively,credited as fully paid up, of any further shares or other securities to which they may be entitled upon such capitalization or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amount or any parts of the amounts remaining unpaid on their existing shares.

(c) Any agreement made under such authority shall be effective and binding on such Members.

ACCOUNTS

154. WHERE BOOKS OF ACCOUNTS TO BE KEPT

The Books of Account shall be kept at the Office or at such other place in India as the Directors think fit in accordance with the applicable provisions of the Act.

155. INSPECTION BY DIRECTORS

The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act.

156. INSPECTION BY MEMBERS

No Member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorized by the Board or authorised by the Board or by the company in general meeting.

SERVICE OF DOCUMENTS AND NOTICE

157. MEMBERS TO NOTIFY ADDRESS IN INDIA

Each registered holder of shares from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

158. SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS

If a Member has no registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighborhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

159. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF MEMBERS

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

160. PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS

Subject to the provisions of the Act and these Articles, notice of General Meeting shall be given:

(a) To the Members of the Company as provided by these Articles.

(b) To the persons entitled to a share in consequence of the death or insolvency of a Member.

(c) To the Directors of the Company.

(d) To the auditors for the time being of the Company; in the manner authorized by as in thecase of any Member or Members of the Company.

161. NOTICE BY ADVERTISEMENT

Subject to the provisions of the Act any document required to be served or sent by the Company on or to the Members, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district in which the Office is situated.

162. MEMBERS BOUND BY DOCUMENT GIVEN TO PREVIOUS HOLDERS

Every person, who by the operation of law, transfer or other means whatsoever, shall become entitled to any shares, shall be bound by every document in respect of such share which, previously to his name and address being entered in the Register of Members, shall have been duly served on or sent to the person from whom he derived his title to such share.

Any notice to be given by the Company shall be signed by the managing Director or by such Director or Secretary (if any) or Officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

WINDING UP

163. Subject to the applicable provisions of the Act–

(a) If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst themembers, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

(c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, butso that no member shall be compelled to accept any shares or other securities whereon thereis any liability.

(d) Any person who is or has been a Director or manager, whose liability is unlimited under the Act, shall, in addition to his liability, if any, to contribute as an ordinary member, be liable to make a further contribution as if he were at the commencement of winding up, a member of an unlimited company, in accordance with the provisions of the Act.

164. APPLICATION OF ASSETS

Subject to the provisions of the Act as to preferential payment the assets of the Company shall, on its winding up, be applied in satisfaction of its liabilities *pari passu* and, subject to such application shall be distributed among the Members according to their rights and interests in the Company.

INDEMNITY

165. DIRECTOR'S AND OTHERS' RIGHT TO INDEMNITY

Subject to the provisions of the Act, every Director and Officer of the Company shall be indemnified by the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or inwhich relief is granted to him by the court or the tribunal. Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the negligence, willful misconduct or bad faith acts or omissions of such Director.

166. INSURANCE

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

SECRECY CLAUSE

167. SECRECY

No Member shall be entitled to inspect the Company's works without the permission of the managing director/Directors or to require discovery of any information respectively and detail of the Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the managing director/Directors will be inexpedient in the interest of the Members of the Company to communicate to the public.

GENERAL POWER

168. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

169. At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**SEBI Listing Regulations**"), the provisions of the SEBI Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Listing Regulations, from time to time.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and 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 the Red Herring Prospectus) which are or may be deemed material were attached to the copy of the Red Herring Prospectus and delivered to the RoC for filing. Copies of the abovementioned documents and contracts and also the documents for inspection referred to hereunder, could have been inspected at our Registered Office between 10 a.m. and 5 p.m. on all Working Days from date of the Red Herring Prospectus until the Bid/ Offer Closing Date. Copies of all the material contracts and documents listed below were also available for online inspection during the above period, on the website of our Company at https://prudentcorporate.com/investorrelation.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material Contracts for the Offer

1. Offer Agreement dated August 12, 2021 between our Company, the Selling Shareholders and the BRLMs.

2. Registrar Agreement dated August 11, 2021 between our Company, the Selling Shareholders and the Registrar to the Offer.

3. Cash Escrow and Sponsor Bank Agreement dated May 2, 2022 entered between our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Syndicate Membe and the Escrow Collection Bank, Sponsor Bank, Public Offer Bank and the Refund Bank.

4. Share Escrow Agreement dated December 22, 2021 entered between our Company, the Selling Shareholders and the Share Escrow Agent.

5. Syndicate Agreement dated May 2, 2022 entered between our Company, the Selling Shareholders, the BRLMs, the Registrar to the Offer and Syndicate Member.

6. Underwriting Agreement dated May 14, 2022 entered between our Company, the Selling Shareholders and the Underwriters.

B. Material Documents

1. Certified copies of the updated MoA and AoA of our Company as amended from time to time.

2. Certificate of incorporation dated June 4, 2003 issued by the RoC.

3. Certificate of commencement of business dated June 20, 2003 issued by RoC.

4. Resolution of the Board dated July 22, 2021, authorising the Offer.

5. Resolution of the Shareholders dated July 23, 2021, authorising the Offer.

6. Board resolution dated August 11, 2021 approving the Draft Red Herring Prospectus. IPO Committee resolution dated August 12, 2021 approving the Draft Red Herring Prospectus.

7. Resolution passed by our Board dated May 2, 2022 approving the Red Herring Prospectus.

8. Resolutions of the board of directors of Wagner dated August 6, 2021 and consent letter dated August 11, 2021, authorising their participation in the Offer.

9. Consent letter of Shirish Patel, dated August 11, 2021 for participating in the Offer.

10. Copies of the annual reports of our Company for the Financial Years 2021, 2020 and 2019.

11. The examination report of the Statutory Auditors, on the Restated Consolidated Financial Information, included in this Prospectus along with the Restated Consolidated Financial Information.

12. The statement of special tax benefits dated February 15, 2022 from the Statutory Auditors.

13. Consents in writing of each of the Selling Shareholders, our Directors, Company Secretary and Compliance Officer, the Book Running Lead Managers, bankers to our Company, relevant third parties, the Syndicate Member, Legal Counsel to the Company and the Selling Shareholders as to Indian Law, Legal Counsel to the Book Running Lead Managers as to Indian Law, Registrar to the Offer and the Escrow Collection Bank, Public Offer Bank, Refund Bank and Sponsor Bank, as referred to in their specific capacities.

14. Written consent of the Statutory Auditors dated May 14, 2022 to include their name as required under Section 26(5) of the Companies Act in this Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated February 15, 2022 relating to the Restated Consolidated Financial Information; and (ii) their report dated February 15, 2022 on the statement of special tax benefits available to our Company which appear elsewhere in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

15. Written consent received from M/s Pramodkumar Dad & Associates, Chartered Accountant, to include their name in this Prospectus as an "expert" in terms of the Companies Act 2013 to the extent of and in their capacity as a firm of duly qualified and experienced in relation to their certificate dated May 14, 2022

16. Report titled "*Assessment of financial products distribution industry in India*" dated December 2021 ("**CRISIL Report**") exclusively prepared and released by CRISIL and, commissioned by and paid for by our Company for the Offer, pursuant to an engagement letter dated May 6, 2021.

17. Copy of the certificate dated May 20, 2018 certifying the fair market value per equity share of Gennext as certified by Patel & Panchal, Chartered Accountants.

18. Shareholders' agreement and share purchase and share subscription agreement, each dated June 8, 2018, entered into among our Company, Wagner, our Promoter, Shirish Patel, Harshida Patel, certain members of our Promoter Group, Subsidiaries, and Prudent Comder Private Limited.

19. Amendment agreement dated July 26, 2021 entered into amongst our Company, Wagner, Sanjay Shah, Shirish Patel, Harshida Patel, Sakhi Shah, Rameshchandra Shah, Ramesh C Shah HUF, Maitry Shah, Niketa Shah, Prutech, PBSPL and Gennext

20. Share Purchase Agreement dated June 8, 2018 entered into amongst our Company, Gennext, Maitry Shah, Chirag Shah and Harshida Patel in connection with the acquisition of Gennext by our Company.

21. Deed of Agreement dated May 12, 2021 for appointment of our Managing Director, Sanjay Shah with effect from April 1, 2021 approved vide board resolution dated May 12, 2021 and shareholders' resolution dated July 23, 2021.

22. Deed of Agreement dated May 12, 2021 for appointment of our Chief Executive Officer, Shirish Patel with effect from April 1, 2021 approved vide board resolution dated May 12, 2021 and shareholders' resolution dated July 23, 2021.

23. Due diligence certificate dated August 12, 2021, addressed to SEBI from the BRLMs.

24. In principle listing approval dated September 2, 2021 and September 9, 2021 issued by BSE and NSE, respectively.

25. Tripartite agreement dated July 15, 2021 between our Company, NSDL and the Registrar to the Offer.

26. Tripartite agreement dated July 14, 2021 between our Company, CDSL and the Registrar to the Offer.

27. SEBI final observation letter number SEBI/WRO/OW/P/RB/DG/2021/33197/1 dated November 18, 2021.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, SCRA, SCRR , and the SEBI 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 in this Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

____

Sanjay Shah
Chairman and Managing Director

Place: Ahmedabad

Date: May 14, 2022

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, SCRA, SCRR and the SEBI 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 in this Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

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Shirish Patel
Whole-time Director and Chief Executive Officer

Place: Mumbai

Date: May 14, 2022

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, SCRR and the SEBI 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 in this Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

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Chirag Shah
Whole-time Director

Place: Surat

Date: May 14, 2022

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, SCRR and the SEBI 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 in this Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Dhiraj Poddar
Non-executive Director

Place: Mumbai

Date: May 14, 2022

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, SCRR and the SEBI 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 in this Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

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Deepak Sood
Independent Director

Place: Mumbai

Date: May 14, 2022

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, SCRR and the SEBI 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 in this Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Karan Kailash Datta
Independent Director

Place: New Delhi

Date: May 14, 2022

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, SCRR and the SEBI 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 in this Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

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Shilpi Thapar
Independent Director

Place: Ahmedabad

Date: May 14, 2022

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the SEBI 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 in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Aniket Talati
Independent Director

Place: Ahmedabad

Date: May 14, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the SEBI Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

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Chirag Kothari
Chief Financial Officer

Place: Ahmedabad

Date: May 14, 2022

DECLARATION BY WAGNER LIMITED, AS A SELLING SHAREHOLDER

We, Wagner Limited, acting as a Selling Shareholder, hereby certify and confirm that all statements, disclosures and undertakings specifically made or confirmed by us in this Prospectus about or in relation to ourselves, as a Selling Shareholder and our portion of the Offered Shares, are true and correct.

For and on behalf of Wagner Limited

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Name: Resmah Mandary
Designation: Director

Place: Mauritius

Date: May 14, 2022

DECLARATION BY SHIRISH PATEL, AS A SELLING SHAREHOLDER

I, Shirish Patel, acting as a Selling Shareholder, hereby certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Prospectus about or in relation to myself, as a Selling Shareholder and my portion of the Offered Shares, are true and correct.

Signed by Shirish Patel

Place: Mumbai

Date: May 14, 2022