



ENBEE TRADE & FINANCE LIMITED

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

Registered Office: B4 /C5, God’s Gift Chs Ltd, N M Joshi Marg, Lower Parel, Mumbai – 400 013, Maharashtra, India;

Tel: +91 22 7969 2512; **Facsimile:** NA

E-mail: enbeetrade@gmail.com; **Website:** www.enbeetrade.com;

Contact Person: Anshul Bajaj, Company Secretary and Compliance Officer;

Corporate Identification Number: L50100MH1985PLC036945

OUR PROMOTER- AMARR NARENDRA GALLA

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

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

ISSUE OF UPTO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (“RIGHTS EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE) (THE “ISSUE PRICE”), AGGREGATING UPTO ₹ 4,000 LAKHS ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] ([●]) RIGHTS EQUITY SHARE(S) FOR EVERY [●] ([●]) FULLY PAID-UP EQUITY SHARE(S) HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●], [●] (THE “ISSUE”). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED “TERMS OF THE ISSUE” ON PAGE 154 OF THIS DRAFT LETTER OF OFFER.

GENERAL RISKS

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

OUR COMPANY’S ABSOLUTE RESPONSIBILITY

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

LISTING

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

LEAD MANAGER TO THE ISSUE



SAFFRON CAPITAL ADVISORS PRIVATE LIMITED

605, Sixth Floor, Centre Point, J.B. Nagar,
Andheri (East), Mumbai - 400 059, India

Telephone: +91 22 4973 0394

Fax No.: N.A.

Email id: rights.issue@saffronadvisor.com

Website: www.saffronadvisor.com

Investor grievance: investorgrievance@saffronadvisor.com

SEBI Registration Number: INM 000011211

Contact Person: Pooja Jain/ Saurabh Gaikwad

Validity of Registration: Permanent

REGISTRAR TO THE ISSUE



CAMEO

CAMEO CORPORATE SERVICES LIMITED

Subramanian Building, No. 01, Club House Road,
Chennai- 600 00, Tamil Nadu, India.

Telephone: +91 44 4002 0700/ 2846 0390

Fax No.: N.A.

Email id: priya@cameoindia.com

Website: www.cameoindia.com

Online Investor Grievance Portal: <https://wisdom.cameoindia.com>

Contact Person: K. Sreepriya

SEBI Registration No.: INR000003753

Validity of Registration: Permanent

ISSUE PROGRAMME

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

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

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

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

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

Provided that terms used in the sections/ chapters titled “Industry Overview”, “Summary of this Draft Letter of Offer”, “Financial Information”, “Statement of Special Tax Benefits”, “Outstanding Litigations and Defaults” and “Issue Related Information” on pages 62, 18, 84, 58, 142 and 154 respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/ chapters.

Company Related Terms

Term	Description
“Company”, “our Company”, “the Company”, “the Issuer” or “ETFL”	Enbee Trade & Finance Limited, a public limited company incorporated under the Companies Act, 1956, having its registered office at B4 /C5, Gods Gift Chs Ltd, N M Joshi Marg, Lower Parel, Mumbai – 400 013, Maharashtra, India.
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, refers to our Company.

Term	Description
Annual Audited Financial Statements	The audited financial statements of our Company prepared as per Ind AS for Fiscal 2024, Fiscal 2023 and Fiscal 2022, prepared in line with Ind AS notified under the Companies Act, 2013, as amended read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
“Articles” / “Articles of Association” / “AoA”	Articles / Articles of Association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors re-constituted as our Company’s audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) and Section 177 of the Companies Act, 2013.
“Auditor” / “Statutory Auditor”/ “Peer Review Auditor”	Statutory and peer review auditor of our Company, namely, Ambavat Jain & Associate LLP, Chartered Accountants.
“Board” / “Board of Directors”	Board of directors of our Company or a duly constituted committee thereof.
“Chief Financial Officer / CFO”	Mehul Narendra Gala, the Chief Financial Officer of our Company.
Company Secretary and Compliance Officer	Anshul Bajaj, the Company Secretary and the Compliance Officer of our Company.
“Corporate Social Responsibility Committee/ CSR Committee”	The committee of the Board of directors re-constituted as our Company’s corporate social responsibility committee in accordance with Section 135 of the Companies Act, 2013.
Director(s)	The director(s) on the Board of our Company, unless otherwise specified.
Equity Shareholder	A holder of Equity Shares
Equity Shares	Fully paid-up Equity shares of our Company of face value of ₹ 10 each.
Executive Directors	Executive Directors of our Company.

Term	Description
Independent Director(s)	The Independent Director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013.
“Key Management Personnel” / “KMP”	Key Management Personnel of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as described in the subsection titled “ <i>Our Management and Organizational Structure – Key Managerial Personnel</i> ” on page 80 of this Draft Letter of Offer.
Materiality Policy	Policy on determination of materiality of events adopted by our Company in accordance with Regulation 30 of the SEBI Listing Regulations.
“Memorandum of Association” / “MoA”	Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The committee of the Board of directors reconstituted as our Company’s Nomination and Remuneration Committee in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.
Non-Executive and Independent Director	Non-Executive and Independent Directors of our Company, unless otherwise specified.
Non-executive Directors	Non-executive Directors of our Company.
Promoter Group	Individuals and entities forming part of the promoter and promoter group in accordance with SEBI ICDR Regulations.
Promoter(s)	Amarr Narendra Galla is the Promoter of our Company.
Registered Office	The Registered Office of our Company located at B4 /C5, God’s Gift Chs Ltd, N M Joshi Marg, Lower Parel, Mumbai – 400 013, Maharashtra, India.
“Registrar of Companies”/ “RoC”	Registrar of Companies, Maharashtra at Mumbai having its office at 100, Everest, Marine Drive, Mumbai 400 002, Maharashtra, India.
Restated Financial Statements/ Restated Financial Information	Restated Financial Information of our Company, which comprises of the Restated Statement of Assets and Liabilities as at March 31, 2024, 2023 and 2022, the Restated Statements of Profit and Loss (including other comprehensive income), Restated Statement of changes in equity and the Restated Statement of Cash flows for the years ended March 31, 2024, 2023 and 2022, and the Summary of Significant Accounting Policies and other explanatory information prepared in terms of the requirements of (i) Section 26 of Part 1 of Chapter III of the Companies Act, 2013; (ii) the SEBI ICDR Regulations; and (iii) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time. For details, see “ <i>Financial Information</i> ” on page 84 of this Draft Letter of Offer.
Rights Issue Committee	The committee of our Board constituted for purposes of the Issue and incidental matters thereof.
Senior Management	Senior management of our Company determined in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations. For details, see “ <i>Our Management</i> ” on page 71 of this Draft Letter of Offer.
Shareholders/ Equity Shareholders	The Equity Shareholders of our Company, from time to time.
Stakeholders’ Relationship Committee	The committee of the Board of Directors reconstituted as our Company’s Stakeholders’ Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations.

Issue Related Terms

Term	Description
2009 ASBA Circular	The SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009
2011 ASBA Circular	The SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011
2023 Rights Issue	Rights issue of 3,20,01,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ 15 (Including a premium of ₹ 5) per Rights Equity Share not exceeding an amount of ₹ 4,800.15 lakhs, undertaken by our Company.
“Abridged Letter of Offer” or “ALOF”	Abridged letter of offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act.
“Allot” or “Allotment” or “Allotted”	Allotment of Rights Equity Shares pursuant to the Issue.

Term	Description
Allotment Account	The account opened with the Banker(s) to the Issue, into which the Application Money lying to the credit of the escrow account(s) and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act.
Allotment Advice	Note, advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue.
Allotment Date	Date on which the Allotment is made pursuant to the Issue.
Allottee(s)	Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue.
Applicant(s) / Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to the Issue in terms of this Draft Letter of Offer, including an ASBA Investor.
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price.
Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue.
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.
Application Supported by Blocked Amount/ASBA	Application (whether physical or electronic) used by ASBA Applicants to make an Application authorizing the SCSB to block the Application Money in the ASBA Account
ASBA Account	Account maintained with SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Equity Shareholders, as the case may be.
ASBA Applicant / ASBA Investor	As per the SEBI Master Circular, all investors (including renouncee) shall make an application for a rights issue only through ASBA facility.
ASBA Bid	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
Banker(s) to the Issue	Collectively, the Escrow Collection Bank and the Refund Banks to the Issue.
Bankers to the Issue Agreement	Agreement to be entered into by and among our Company, the Registrar to the Issue, the Lead Manager and the Bankers to the Issue for collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account and where applicable, refunds of the amounts collected from Applicants/Investors, on the terms and conditions thereof.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in the Issue and which is described in “ <i>Terms of the Issue</i> ” on page 177 of this Draft Letter of Offer.
Consolidated Certificate	The certificate that would be issued for Rights Equity Shares Allotted to each folio in case of Eligible Equity Shareholders who hold Equity Shares in physical form.
“Controlling Branches” “Controlling Branches of the SCSBs”	Such branches of SCSBs which coordinate Bids under the Issue with the Lead Manager, the Registrar to the Issue and the Stock Exchange, a list of which is available on the website of SEBI at http://www.sebi.gov.in .
Demographic Details	Details of Investors including the Investor’s address, name of the Investor’s father/ husband, investor status, occupation and bank account details, where applicable.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock	BSE Limited

Term	Description
Exchange	
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.
“Draft Letter of Offer” “DLoF”, “DLOF”	This draft letter of offer dated August 10, 2024 filed with the Stock Exchange for its observations and in-principal listing approval.
Eligible Equity Shareholders	Existing Equity Shareholders as on the Record Date. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, see “ <i>Notice to Investors</i> ” on page 11.
Escrow Account	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident investors– eligible equity shareholders as on record date making an Application through the ASBA facility.
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being [●].
“Issue” or “Rights Issue”	Issue of up to [●] Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share) aggregating up to ₹ 4,000 lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date i.e. [●].
Issue Agreement	Issue Agreement dated February 29, 2024 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	[●]
Issue Material	Collectively, the Abridged Letter of Offer, the Common Application Form and Rights Entitlement Letter, and any other material relating to the Issue.
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Applications, in accordance with the SEBI ICDR Regulations.
Issue Price	₹ [●] per Rights Equity Share
Issue Proceeds	The Gross proceeds raised through the Issue.
Issue Size	Amount aggregating up to ₹ 4,000 lakhs
Lead Manager	Saffron Capital Advisors Private Limited
“Letter of Offer” or “LOF”	The final letter of offer to be filed with the Stock Exchange and SEBI for record purposes.
Multiple Application Forms	More than one Application form submitted by an Eligible Equity Shareholder/ Renouncee in respect of the same Rights Entitlement available in their demat account. However additional applications in relation to additional Rights Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application
Net Proceeds	Proceeds of the Issue less our Company’s share of Issue related expenses. For further information about the Issue related expenses, see “ <i>Objects of the Issue</i> ” on page 54 of this Draft Letter of Offer.
“Non-ASBA Investor” or “Non-ASBA Applicant”	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process comprising Eligible Equity Shareholders holding Equity Shares in physical form or who intend to renounce their Rights Entitlement in part or full and Renouncees.
“Non-Institutional Bidders” or “NIIs”	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(j) of the SEBI ICDR Regulations.
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws.
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a

Term	Description
	registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before [●].
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, to be decided prior to filing of the Letter of Offer, being [●].
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being [●].
“Registrar to the Company”	Adroit Corporate Services Private Limited
“Registrar to the Issue” or “Registrar”	Cameo Corporate Services Limited
Registrar Agreement	Agreement dated March 5, 2024 entered into among our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Renouncee(s)	Any person(s) who has/have acquired the Rights Entitlement from the Eligible Equity Shareholders on renunciation in accordance with the SEBI Master Circular.
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●], [●] in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.
“Retail Individual Bidders(s)” or “Retail Individual Investor(s)” or “RII(s)” or “RIB(s)”	An individual Investor (including an HUF applying through Karta) who has applied for Rights Equity Shares and whose Application Money is not more than ₹ 2,00,000 in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations.
RE ISIN	ISIN for Rights Entitlement <i>i.e.</i> , [●]
Rights Entitlement	The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, being [●] Rights Equity Shares for [●] Equity Shares held on [●], [●]. The Rights Entitlements with a separate ISIN: [●] will be credited to your demat account before the date of opening of the Issue, against the equity shares held by the Equity Shareholders as on the record date.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue.
SEBI Master Circular	Master circular dated June 21, 2023 issued by the Securities and Exchange Board of India in order to enable the stakeholders to have access to all circulars/directions issued under the relevant provisions of the SEBI ICDR Regulations, 2018 at one place. The SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 has been rescinded pursuant to the SEBI Master Circular.
Self-Certified Syndicate Banks” or “SCSBs	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time
Stock Exchange	Stock Exchange where the Equity Shares are presently listed, being BSE Limited.

Term	Description
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
Wilful Defaulter(s) or Fraudulent Borrower(s)	Company or person, as the case may be, categorized as a wilful defaulter(s) or fraudulent borrower(s) by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI and in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Day	All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, Term Description the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchange. "Working Day" shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

Business and Industry related Terms or Abbreviations

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

Conventional and General Terms or Abbreviations

Term	Description
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIBIL	Credit Information Bureau (India) Limited
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with rules made thereunder

Term	Description
Companies Act 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
CSR	Corporate Social Responsibility
Depository(ies)	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary General Meeting
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
Financial Year/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 2019
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended from time to time
INR or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India.
ISIN	International Securities Identification Number
IT	Information Technology
MCA	The Ministry of Corporate Affairs, GoI
Mn / mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NAV	Net Asset Value
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect.
NSDL	National Securities Depository Limited

Term	Description
OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue.
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, as amended
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended.
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, since repealed and replaced by the SEBI (AIF) Regulations
Securities Act	The United States Securities Act of 1933.
STT	Securities Transaction Tax
State Government	The Government of a state in India
Trademarks Act	Trademarks Act, 1999, as amended
TDS	Tax Deducted at Source
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

NOTICE TO INVESTORS

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

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

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

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

THE CONTENTS OF THIS DRAFT LETTER OF OFFER SHOULD NOT BE CONSTRUED AS BUSINESS, LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, NEITHER OUR COMPANY NOR THE LEAD MANAGER IS MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

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

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

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

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

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

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

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

ENFORCEMENT OF CIVIL LIABILITIES

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

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

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

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

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

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

PRESENTATION OF FINANCIAL INFORMATION

Certain Conventions

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

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

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

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

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

Financial Data

Unless stated otherwise or the context otherwise requires, the financial data in this Draft Letter of Offer is derived from the Restated Financial Information of our Company, which comprises of the Restated Statement of Assets and Liabilities as at March 31, 2024, 2023 and 2022, the Restated Statements of Profit and Loss (including other comprehensive income), Restated Statement of changes in equity and the Restated Statement of Cash flows for the years ended March 31, 2024, 2023 and 2022, and the Summary of Significant Accounting Policies and other explanatory information prepared in terms of the requirements of (i) Section 26 of Part 1 of Chapter III of the Companies Act, 2013; (ii) the SEBI ICDR Regulations; and (iii) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time. For further information, see “*Financial Information*” beginning on page 84 of this Draft Letter of Offer.

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

There are significant differences between Ind AS, Ind GAAP, US GAAP and IFRS. We have not provided a reconciliation of the financial information to Ind AS, IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Letter of Offer should accordingly be limited. For further information, see “*Financial Information*” on page 84 of this Draft Letter of Offer.

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

Currency and Units of Presentation

All references to:

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

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

Exchange Rates

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

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

Currency	Exchange rate as on		
	March 31, 2024*	March 31, 2023	March 31, 2022
1 USD	83.37	82.22	75.80

(Source: www.rbi.org.in and www.fbil.org.in)

*Since, March 30, 2024 and March 31, 2024 were public holidays, the exchange rate as of March 29, 2024 has been considered.

Industry and Market Data

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

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

Although we believe the industry and market data used in this Draft Letter of Offer is reliable, it has not been independently verified by us, the LM or any of its affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 21, of this Draft Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

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

FORWARD - LOOKING STATEMENTS

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

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

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

- As an NBFC, we are subject to periodic inspections by the RBI. Non-compliance with observations made by RBI during these inspections could expose us to penalties and restrictions. We operate in a highly competitive industry and our inability to compete effectively may adversely affect our business.
- Our business will require substantial funds, and any disruption in funding sources would have a material adverse effect on our liquidity and financial condition.
- The majority of Issue proceeds will be utilized by our Company for repayment of unsecured loans availed by it from our Promoter and members of our Promoter Group.
- We are affected by volatility in interest rates for both our lending and fund raisings operations, which could cause our net interest income to decline and adversely affect our results of operations and profitability.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on pages 21, 68 and 130, respectively, of this Draft Letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

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

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

SUMMARY OF THIS DRAFT LETTER OF OFFER

The following is a general summary of the terms of this Issue, and should be read in conjunction with and is qualified by the more detailed information appearing in this Draft Letter of Offer, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Our Business”, “Industry Overview”, “Outstanding Litigations and Defaults” and “Terms of the Issue” on pages 21, 43, 50, 54, 68, 62, 142 and 154 respectively.

1. Summary of Industry

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

For further details, please refer to the chapter titled “Industry Overview” at page 62 of this Draft Letter of Offer.

2. Summary of primary Business

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

For further details, please refer to the chapter titled “Our Business” at page 68 of this Draft Letter of Offer.

3. Our Promoter

The Promoter of our Company is Amarr Narendra Galla.

For further details please see chapter titled “Our Promoter” beginning on page 81 of this Draft Letter of Offer.

4. Objects of the Issue

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

Particulars	Amount
Repayment of unsecured loans availed by our Company from Promoter and Promoter Group of our Company	2,690.85
Augmentation of Capital Base	1,209.15
Net proceeds from the Issue*	[•]

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

For further details, please see chapter titled “Objects of the Issue” beginning on page 54 of this Draft Letter of Offer.

5. Summary of Financial Information

Following are the details as per the Restated Financial Information as at and for the Financial Years ended on March 31, 2024, 2023 and 2022:

S. No.	Particulars	As of and for the Financial Years ended		
		March 31, 2024	March 31, 2023	March 31, 2022
1.	Share Capital	1,432.39	160.01	160.01

S. No.	Particulars	As of and for the Financial Years ended		
		March 31, 2024	March 31, 2023	March 31, 2022
2.	Net Worth	3,037.70	1,039.98	1,025.33
3.	Revenue from operations	1,025.30	486.72	363.71
4.	Profit after Tax	155.77	14	90
5.	Earnings per Share	1.39	0.87	5.62
6.	Net Asset Value per equity share	21.21	64.99	64.08
7.	Total borrowings	3,131.02	2490	1065

For further details, please refer the section titled “*Financial Information*” on page 84 of this Draft Letter of Offer.

6. Summary of Outstanding Litigation

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

(₹ in lakhs)

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation	Aggregate amount involved [#]
Company						
By our Company	Nil	Nil	Nil	Nil	Nil	Nil
Against our Company	Nil	Nil	Nil	3	Nil	0.64
Directors						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against our Directors	Nil	Nil	Nil	1	Nil	1.00
Promoters						
By our Promote	Nil	Nil	Nil	Nil	Nil	Nil
Against our Promoter	Nil	Nil	Nil	1	Nil	1.00

[#]To the extent quantifiable.

For further details, please refer the chapter titled “*Outstanding Litigations and Defaults*” on page 142 of this Draft Letter of Offer.

7. Risk Factors

Please see the chapter titled “*Risk Factors*” beginning on page 21 of this Draft Letter of Offer.

8. Summary of Contingent Liabilities

For details regarding our contingent liabilities for the Financial Years ended 2024, 2023 and 2022, see “*Financial Information – Restated Financial Information – Notes to Restated Financial Statements – Note 25: Related Party Disclosures*” on page 106 of this Draft Letter of Offer.

9. Summary of Related Party Transactions

For details regarding our related party transactions for the Financial Years ended 2024, 2023 and 2022, see “*Financial Information – Restated Financial Information – Notes to Restated Financial Statements – Note 25: Related Party Disclosures*” on page 106 of this Draft Letter of Offer.

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

Our Company has not issued equity shares in last one year for consideration other than cash.

11. Split or consolidation of Equity Shares in the last one year

Our Company has not undertaken a split or consolidation of Equity Shares in the last one year.

12. Exemption from complying with any provisions of securities laws, if any, granted by the Securities and Exchange Board of India

Our Company has not sought or been granted any exemption from complying with any provisions of securities laws by the Securities and Exchange Board of India.

SECTION II - RISK FACTORS

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

To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 62, 68 and 130 of this Draft Letter of Offer, respectively. The industry-related information disclosed in this section has been derived from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Neither our Company, nor any other person connected with the Issue, including the LM, has independently verified the information in the industry report or other publicly available information cited in this section.

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

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

Materiality:

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

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

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

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

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

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

INTERNAL RISK FACTORS

BUSINESS RELATED RISKS

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

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

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

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

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

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

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

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

factors, including the regulatory environment and policy initiatives in India, lack of liquidity in the market, developments in the international markets affecting the Indian economy, investors' and/or lenders' perception of demand for debt and equity securities of NBFCs, and our current and future results of operations and financial condition. If we are unable to obtain adequate financing or financing on terms satisfactory to us and in a timely manner, our ability to grow or support our business and to respond to business challenges could be limited and our business prospects, financial condition and results of operations would be materially and adversely affected.

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

One of the Objects of this Issue is to repay the unsecured loans amounting to ₹ 2,690.85 lakhs availed by our Company from our Promoter and members of our Promoter Group. As on March 31, 2024, we have outstanding unsecured loans aggregating to ₹ 2,690.85 lakhs from our Promoter and member of the Promoter Group. Out of the Issue proceeds, we intend to utilize ₹ 2,690.85 lakhs for repayment of unsecured loans availed by our Company from our Promoter and members of the Promoter Group. For further details, please see the chapter titled “*Objects of the Issue*” beginning on page 54 of this Draft Letter of Offer.

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

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

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

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

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

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

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

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

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

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

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

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

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

income expected from such loans. Some of our borrowers may be able to find balance transfer options at comparably lower interest rates or other financing alternatives, which could have an adverse effect on our business, results of operations and financial condition.

11. We may experience difficulties in expanding our products.

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

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

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

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

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

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

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

15. There are outstanding litigations involving our Company, our Promoter and our Directors, if determined adversely, may adversely affect our business and financial condition.

As on the date of this Draft Letter of Offer, our Company, our Promoter and our Directors are involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and/or severally from us and/or other parties, as the case may be. We cannot assure you that these legal proceedings will be decided in favour of our Company and our Directors, as the case may be, or that no further liability will arise out of these proceedings. We may incur significant expenses in such legal proceedings and we may have to make provisions in our financial statements, which could increase our expenses and liabilities. Any adverse decision may adversely affect our business, results of operations and financial condition.

A summary of the pending tax proceedings and other material litigations involving our Company, our Promoter and our Directors are 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 Litigation	Aggregate amount involved [#]
Company						
By our Company	Nil	Nil	Nil	Nil	Nil	Nil
Against our Company	Nil	Nil	Nil	2	Nil	0.64
Directors						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against our Directors	Nil	Nil	Nil	1	Nil	1.00
Promoters						
By our Promote	Nil	Nil	Nil	Nil	Nil	Nil
Against our Promoter	Nil	Nil	Nil	1	Nil	1.00

[#]To the extent quantifiable.

For further details, please refer to the section titled “*Outstanding Litigations and Defaults*” on page 130 of this Draft Letter of Offer.

16. The Statutory Auditors of our Company have included certain additional emphasis of matters in their audit report issued for the Financial Year ended March 31, 2024. Further, while undertaking the restatement of Financial Statements for the Financial Year ended March 31, 2024, our Statutory Auditor has corrected the employee benefit related liabilities and therefore has deviated from the Audited Financial Statements of our Company.

The Statutory Auditors of our Company have included the following material emphasis of matters in the audit report issued for the Financial Year ended March 31, 2024:

“Audit trail

Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is applicable for the financial year ended March 31, 2024. The company has not used an accounting software that has a feature of audit trail and the same was not operated/ enabled throughout the year. The transactions recorded in the software were not covered in the audit trail feature. Further, the audit trails were not preserved as per statutory requirements for record retention.”

Further, during the year FY 2023-24, our Company considered the audit observations with respect to provisioning in relation to employee benefits and undertook a detailed review of Liabilities. Based on reassessment, it has been concluded that in respect of “Provisions” the calculation of “employment benefits” was not properly calculated. Accordingly, the provision for employment benefits has been reworked thereby the Profit is reduced for the year ended March 2024, March 2023, 2022 and 2021 by ₹ 4.41 lakhs, ₹ 4.24 Lakhs, ₹ 4.19 lakhs and ₹ 9.91 lakhs respectively.

There can be no assurance that any similar remarks, or matters of emphasis will not form part of our audit reports for the future fiscal periods, which could subject us to additional liabilities due to which our reputation and financial condition may be adversely affected.

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

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

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

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

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

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

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

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

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

20. *Our insurance coverage may not adequately protect us against losses.*

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

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

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

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

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

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

In the past, there have been certain instances of delay in filing of statutory forms as per the reporting requirements under the Companies Act, 1956 and Companies Act, 2013 with the RoC, which have been subsequently filed by payment of an additional fee as specified by RoC by our Company. Further, there have been instances of non-filings of statutory forms with RoC as per the reporting requirements laid down under the Companies Act 1956 and Companies Act, 2013 by our Company, for instance, while our Company has repaid the loans which were availed from The Vysya Bank Limited, State Bank of India and Bank of

Maharashtra, however it failed to file the statutory form, Form 17 with the RoC for satisfaction of the charge, consequent to which the loans availed from the aforementioned banks are still reflecting under the index of charges maintained by the RoC. Further, our Company has failed to file Form MGT-14 for registering the resolutions passed by our Board of Directors and the Shareholders with the RoC, in compliance with Companies Act, 2013. No show cause notice in respect to the above has been received by our Company till date. The occurrence of instances of delayed or erroneous filings in future may impact our results of operations and financial position.

24. *If we are unable to maintain and enhance the ‘Enbee’ brand equity, the sales of our services may suffer which would have a material adverse effect on our financial condition and results of operations*

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

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

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

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

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

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

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

We have experienced negative cash flows from operations in the recent past. Our cash flow for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 are set forth in the table below:

(in ₹ lakhs)

Particulars	For the year ended March 31		
	2024	2023	2022
Net cash used in/generated from operating activities	(1675.17)	67.50	0.88
Net cash used in investing activities	(164.80)	(68.61)	(0.01)

Particulars	For the year ended March 31		
	2024	2023	2022
Net cash generated from financing activities	1837.94	-	-

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

For further details, see “*Management’s Discussion and Analysis of our Financial Condition and Results of Operations*” on page 130.

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

The Registered Office of our Company is taken on lease for a fixed tenure from our Promoter. The lease is renewable on mutually agreed terms. Upon termination of the lease, we are required to return the said business premises to the Lessor/Licensor, unless renewed. There can be no assurance that the term of the agreements will be renewed and in the event the Lessor/Licensor terminates or does not renew the agreements on commercially acceptable terms, or at all, and we are required to vacate our offices, we may be required to identify alternative premises and enter into fresh lease or leave and license agreement. We may have to find new premises which may lead to higher costs. However, since the registered office premises are owned by our promoter/promoter group, we do not foresee any problem in renewal.

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

Our Promoters, Directors and Key Managerial Personnel, may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Our Promoters, Directors and Key Managerial Personnel may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. For further details, please see the section titled “*Financial Information*” at page 84 of this Draft Letter of Offer.

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

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

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

30. *Our Promoter is not the original promoter of our Company and has acquired control of our Company on*

in 2016, therefore we cannot trace certain historical records of our Company.

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

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

As of March 31, 2024, March 31, 2023 and March 31, 2022, we have entered into several related party transactions with our Promoters, individuals and entities forming a part of our promoter group relating to our operations. In addition, we have in the past also entered into transactions with other related parties. For further details, please see the section titled "*Financial Information*" at page 84 of this Draft Letter of Offer.

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

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

As on March 31, 2024, our Company has outstanding unsecured loans aggregating to ₹ 2,971.85 lakhs, which have been extended by our Promoter and members forming part of our Promoter Group and may be recalled by them at any time. In the event, any of such lenders seek a repayment of any these loans, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to arrange for any such financing arrangements, we may not have adequate working capital to undertake new projects or complete our ongoing projects. Therefore, any such demand may adversely affect our business, financial condition and results of operations.

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

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

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

The growth and success of our Company's future significantly depends upon the experience and continued services and the management skills of our Key Managerial Personnel and the guidance of our Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. We believe the expertise, experience and continued efforts of our Key Managerial Personnel and their inputs are valuable to for the operations of our Company. Our future success and growth depend largely on our ability to attract, motivate and retain the continued service of our highly skilled management personnel. Our Company has never been faced with a challenge of high rate of attrition of our Key Management Personnel in the past, however, any attrition of our experienced Key Managerial Personnel, would adversely impact our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a sufficient number of personnel with the requisite skills to replace those Key Managerial Personnel who leave. In the event

we are unable to motivate and retain our key managerial personnel and thereby lose the services of our highly skilled Key Managerial Personnel may adversely affect the operations, financial condition and profitability of our Company and thereby hampering and adversely affecting our ability to expand our business. For further details on our Directors and Key Managerial Personnel, please refer to the chapter titled — “Our Management and Organisational Structure” on page 71 of this Draft Letter of Offer.

35. The Statutory Auditors have included certain qualifications in their reporting under the Companies (Auditors Report) Order, 2020 (“CARO 2020”) in relation to the audit of financial statements for the Fiscal 2023 and Fiscal 2022.

Our Statutory Auditors have included certain qualifications in their reporting under CARO 2020. The details of the same have been provided below:

Period	Nature of Adverse Observation	Details of Adverse Observation																												
<i>Fiscal 2024</i>	<i>Overdue Loans and Advances and Statutory Dues</i>	<p>a. the statutory dues relating to TDS were outstanding for more than 6 Months from due date as at Year end as under:</p> <table border="1"> <thead> <tr> <th>Year Ended</th> <th>TDS overdue more than 6 months of date of reporting</th> </tr> </thead> <tbody> <tr> <td>31.03.22</td> <td>1,701,600</td> </tr> <tr> <td>31.03.23</td> <td>2,185,265</td> </tr> <tr> <td>31.03.24</td> <td>21,58,331</td> </tr> </tbody> </table> <p>b. In respect of the loans / advances in nature of loans under the heading “Financial Assets”, there were amount overdue for more than ninety days as tabulated below.</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>31.03.24</th> <th>31.03.23</th> <th>31.03.22</th> </tr> </thead> <tbody> <tr> <td>No. of Cases</td> <td>NIL</td> <td>1</td> <td>NIL</td> </tr> <tr> <td>Principal Amount Overdue</td> <td>NIL</td> <td>Nil</td> <td>NIL</td> </tr> <tr> <td>Interest Overdue (Rs. In Lakhs)</td> <td>NIL</td> <td>28.20</td> <td>NIL</td> </tr> <tr> <td>Total Overdue (Rs. In Lakhs)</td> <td>NIL</td> <td>28.20</td> <td>NIL</td> </tr> </tbody> </table> <p>In such instances, in our opinion, reasonable steps have been taken by the Company for the recovery of the principal amounts and interest thereon.</p>	Year Ended	TDS overdue more than 6 months of date of reporting	31.03.22	1,701,600	31.03.23	2,185,265	31.03.24	21,58,331	Particulars	31.03.24	31.03.23	31.03.22	No. of Cases	NIL	1	NIL	Principal Amount Overdue	NIL	Nil	NIL	Interest Overdue (Rs. In Lakhs)	NIL	28.20	NIL	Total Overdue (Rs. In Lakhs)	NIL	28.20	NIL
Year Ended	TDS overdue more than 6 months of date of reporting																													
31.03.22	1,701,600																													
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31.03.24	21,58,331																													
Particulars	31.03.24	31.03.23	31.03.22																											
No. of Cases	NIL	1	NIL																											
Principal Amount Overdue	NIL	Nil	NIL																											
Interest Overdue (Rs. In Lakhs)	NIL	28.20	NIL																											
Total Overdue (Rs. In Lakhs)	NIL	28.20	NIL																											
<i>Fiscal 2023</i>	<i>Overdue Loans and Advances and Statutory Dues</i>	<p>In respect of the following loans/advances in nature of loans, the total amount overdue for more than ninety days as at March 31, 2023 is Rs. 28.20 lakhs. In such instances, in our opinion, reasonable steps have been taken by the Company for the recovery of the principal amounts and interest thereon.</p> <p><i>Statutory Dues outstanding more than 6 months – TDS Rs 21,85,265/-</i></p>																												
<i>Fiscal 2022</i>	<i>Statutory Dues</i>	<i>Statutory Dues outstanding more than 6 months – TDS Rs 17,01,600/-</i>																												

Further, the following statutory dues are outstanding for a period more than six months:

Year Ended	31.03.24	31.03.23	31.03.22
TDS	21.85	21.85	17.02
Income Tax-Adv tax	53.07	3.68	15.10
Profession Tax	Nil	Nil	Nil

For details kindly refer to “Financial Statements” on page 84 of the DLOF.

There can be no assurance that our Statutory Auditors will not include such comments in the CARO 2020 reports in the future, or that such qualification will not affect our financial results in future fiscal periods. Investors should consider these matters and related remarks in evaluating our financial condition and results of operations. Any such qualifications in the auditors’ report on our financial statements in the future may also adversely affect the trading price of our Equity Shares

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

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

37. *The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled “Objects of the Issue”.*

As the issue size is not more than ₹10,000 lakhs, under Regulation 82 of the SEBI ICDR Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilisation of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilisation of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoters shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same. For further details, please refer to the chapter titled — “Objects of the Issue” on page 54 of this Draft Letter of Offer.

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

The Equity Shares of our Company are listed on BSE, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations, as well as requirements under the Companies Act for a listed Company. There have been instances in the past wherein, our Company has failed to comply with the requirements of the SEBI Listing Regulations in a timely manner. Further, our Company has inadvertently failed to ratify certain related party transactions undertaken with Promoters and members of Promoter Group, in compliance with Regulation 23 of the SEBI Listing Regulations.

Our Company endeavours to comply with all such obligations/reporting requirements, there may be non-disclosures/delayed/erroneous disclosures and/or any other violations which might have been committed by us, and the same may result into Stock Exchange and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and Rules and Regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

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

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

ISSUE SPECIFIC RISKS

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

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

- 41. *SEBI has recently, by way of SEBI Master Circular, streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars, and in this Draft Letter of Offer.***

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI Master Circular and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see “*Terms of the Issue*” on page 177 of this Draft Letter of Offer.

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

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

In accordance with the circular SEBI Master Circular, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 03, 2018 issued by the SEBI, with effect from April 01, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form. For details, please refer chapter “*Terms of the Issue*” on page 177 of this Draft Letter of Offer.

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

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renounees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renounees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renounee will not be able to apply in this Issue with respect to such Rights Entitlements. For details, see “*Terms of the Issue*” on page 177 of this Draft Letter of Offer.

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

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

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

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

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

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

required to purchase Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

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

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

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

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

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

The trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets in general experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could adversely affect the price of our Equity Shares.

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

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

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

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

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

In accordance with the SEBI ICDR Regulations, the Equity Shares shall be issued only in dematerialized form. Investors will not have the option of getting the allotment of Equity Shares in physical form. The Equity Shares Allotted to the Applicants who do not have demat accounts or who have not specified their demat details, will be kept in abeyance till receipt of the details of the demat account of such Applicants. For details, see “*Terms of the Issue*” on page 177 of this Draft Letter of Offer. This may impact the ability of our shareholders to receive the Equity Shares in the Issue.

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

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

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

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

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

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

EXTERNAL RISK FACTORS

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

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

We have not attempted to quantify the impact of Ind AS, US GAAP, IFRS or any other system of accounting principles on the financial data included in this Draft Letter of Offer, nor do we provide a reconciliation of

our financial statements to those of Ind AS, US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Financial Information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

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

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

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

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

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

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

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

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

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

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

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

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

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

- the General Anti Avoidance Rules (“**GAAR**”) have been made effective from April 01, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.
- a comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure, which came into effect from July 01, 2017. We cannot provide any assurance as to any aspect of the tax regime following implementation of the GST. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

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

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

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

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although

economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

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

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

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

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

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

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

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

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

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be

granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

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

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

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

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

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

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

- the General Anti Avoidance Rules ("GAAR") have been made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.
- a comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure, which came into effect from July 1, 2017. We cannot provide any assurance as to any aspect of the tax regime following implementation of the GST. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

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

be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

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

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

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

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

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

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

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

SECTION III – INTRODUCTION

THE ISSUE

This Issue has been authorized through a resolution passed by our Board at its meeting held on January 6, 2024, read with the resolution passed by the Rights Issue Committee in its meeting held on August 10, 2024, pursuant to Section 62(1)(a) of the Companies Act. The following is a summary of this Issue, and should be read in conjunction with and is qualified entirely by the information detailed in the chapter titled “*Terms of the Issue*” on page 154 of this Draft Letter of Offer.

Particulars	Details of Equity Shares
Equity Shares proposed to be issued	Upto [●] Equity Shares
Rights Entitlement	Upto [●] Equity Share(s) for every [●] fully paid-up Equity Share(s) held on the Record Date
Fractional Entitlement	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or is not in multiples of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any.
Record Date	[●]
Face value per Equity Shares	₹ 10/- each
Issue Price per Rights Equity Shares	₹ [●]/-
Issue Size	Upto [●] Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●] (Including a premium of ₹ [●]) per Rights Equity Share not exceeding an amount of ₹ 4,000 lakhs.
Voting Rights and Dividend	The Equity Shares issued pursuant to this Issue shall rank <i>pari passu</i> in all respects with the Equity Shares of our Company.
Equity Shares issued, subscribed and are outstanding prior to the Issue	1,43,23,939 Equity Shares. For details, see “ <i>Capital Structure</i> ” beginning on page 50
Equity Shares paid-up and outstanding prior to the Issue	1,43,23,939 Equity Shares
Equity Shares issued, subscribed, paid-up and outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	[●]
Money payable at the time of Application/ Terms of payment	₹ [●]
Scrip Details	ISIN for Equity Shares: INE993I01011 BSE: 512441 Rights Entitlement ISIN: [●]
Use of Issue Proceeds	For details please refer to the chapter titled “ <i>Objects of the Issue</i> ” on page 54 of this Draft Letter of Offer.
Terms of the Issue	For details please refer to the chapter titled “ <i>Terms of the Issue</i> ” on page 154 of this Draft Letter of Offer.

Please refer to the chapter titled “*Terms of the Issue*” on page 154 of this Draft Letter of Offer.

Issue Schedule

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

Event	Indicative Date
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights Entitlement*	[●]
Issue Closing Date**	[●]

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

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

GENERAL INFORMATION

Our Company was incorporated on July 24, 1985 as 'Enbee Trade & Finance Limited', as a public limited company under the Companies Act, 1956 with the Registrar of Companies, Maharashtra and consequently a certificate of commencement of business dated August 6, 1985 was issued to our Company. Pursuant to a special resolution passed by the shareholders of our Company through postal ballot on March 12, 2016, the Registered Office of our Company was shifted from Imambada Road, Nagpur – 440 018, Maharashtra, India to B4 /C5, God's Gift Chs Ltd, N M Joshi Marg, Lower Parel, Mumbai – 400 013, Maharashtra, India. The corporate identification number of our Company is L50100MH1985PLC036945.

Registered Address of our Company

Enbee Trade & Finance Limited

B4 /C5, Gods Gift Chs Ltd,
N M Joshi Marg, Lower Parel,
Mumbai – 400 013, Maharashtra, India

Telephone: +91 22 7969 2512

E-mail: enbeetrade@gmail.com

Facsimile: N.A.

Website: www.enbeetrade.com

Registration Number: 036945

CIN: L50100MH1985PLC036945

As on the date of this Draft Letter of Offer, our Company does not have a corporate office.

Registrar of Companies

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

Registrar of Companies, Mumbai, Maharashtra

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

Board of Directors of our Company

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

S. No.	Name	Age	Designation	DIN	Address
1.	Amarr Narendra Galla	44	Chairman and Managing Director	07138963	A 2703, One Avighna Park, M P Road, Parel, Mumbai – 400012, Maharashtra, India
2.	Ssanta Amar Gaala	36	Whole-time Director	07138965	A 2703, One Avighna Park, M P Road, Parel, Mumbai – 400012, Maharashtra, India
3.	Akash Shailesh Gangar	33	Independent Director	09079830	C-21, Indraprastha Society, Near Sarvoday Nagar, Near Jain Mandir, Mulund (W) Mumbai- 400 080, Maharashtra, India
4.	Jayesh Gulabbhai Patel	45	Independent Director	06942623	501/a, Vikas Tower Chsl, Society Road, Near Amboli Fatak, Next To Nikunj School, Andheri East, Mumbai – 400 069, Maharashtra, India
5.	Rakeshkumar Dinesh Mishra	37	Independent (Additional) Director	06919510	706 Neelkanth Tower, 1 Kanakia Road, Opp. Prince Regency Mira Road, East Thane – 401 107, Maharashtra, India.

For detailed profile of our Directors, please refer to the chapter titled "Our Management" on page 71 of this Draft Letter of Offer.

Chief Financial Officer

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

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

Company Secretary and Compliance Officer

Anshul Bajaj, is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder.

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

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

Lead Manager to the Issue

Saffron Capital Advisors Private Limited
605, Sixth Floor, Centre Point, J.B. Nagar,
Andheri (East), Mumbai - 400 059, India
Telephone: +91 22 4973 0394
Fax No.: N.A.
Email id: rights.issue@saffronadvisor.com
Website: www.saffronadvisor.com
Investor grievance: investorgrievance@saffronadvisor.com
SEBI Registration Number: INM 000011211
Contact Person: Pooja Jain/ Saurabh Gaikwad

Registrar to the Issue

Cameo Corporate Services Limited
Subramanian Building, No. 01,
Club House Road, Chennai- 600 002,
Tamil Nadu, India.
Telephone: +91 44 4002 0700/ 2846 0390
Facsimile: N.A.
Email: rights@cameoindia.com
Website: www.cameoindia.com
Online Investor Grievance Portal: <https://wisdom.cameoindia.com>
Contact Person: K. Sreepriya
SEBI Registration No.: INR000003753

Legal Advisor to the Issue

T&S Law
Unit Number 15, Logix Technova,
Block B, Sector 132, Noida – 201 304,
Uttar Pradesh, India.
Telephone: +91 120 666 1348
Facsimile: N.A.
Email: info@tandslaw.in

Contact Person: Sagarika Kapoor

Statutory and Peer Review Auditor of our Company

Ambavat Jain & Associates LLP

Chartered Accountants

Office no. 40, 1st Floor, 9/15, Morarji Velji Building,

Dr. M B Velkar Street, Marine Lines (E),

Mumbai – 400 002, Maharashtra, India.

Telephone: +91 981 971 8632

Email: ashish.jain@ajallp.in

Contact Person: Ashish J Jain

Membership No.: 111829

Firm Registration No.: 109681W

Peer Review Certificate No.: 013217

Bankers to the Issue/ Refund Bank

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

Designated Intermediaries

Self-Certified Syndicate Banks

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

Inter-se Allocation of Responsibilities

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

Expert Opinion

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

Our Company has received written consent dated August 10, 2024 from the Statutory Auditor to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Letter of Offer as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated July 22, 2024 on our Restated Financial Information for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022; and (ii) the statement of tax benefits dated August 10, 2024 in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer.

Investor grievances

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

Investors are advised to contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre- Issue or post-Issue related problems such as non-receipt of Abridged Letter of Offer/ Application Form and Rights Entitlement Letter/ Letter of Allotment, or Refund Orders, etc. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the applicant, ASBA Account number and the Designated Branch of the SCSBs, number of Equity

Shares applied for, amount blocked, where the Application Form and Rights Entitlement Letter or the plain paper application, in case of Eligible Equity Shareholder, was submitted by the ASBA Investors through ASBA process.

Credit Rating

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

Debenture Trustees

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

Monitoring Agency

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

Filing

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

Changes in Auditors during the last three years

There has not been any change in the Statutory Auditor of our Company in last three years.

Underwriting Agreement

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

Issue Schedule

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

Event	Indicative Date
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights*	[●]
Issue Closing Date**	[●]

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

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

The above schedule is indicative and does not constitute any obligation on our Company or the Lead Managers.

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

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Neither our Company nor the Registrar to the Issue will be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the applications are submitted

well in advance before Issue Closing Date. For details on submitting Common Application Forms, see “*Terms of the Issue*” beginning on page 177 of this Draft letter of Offer.

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

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar at <https://rights.cameoindia.com/enbeetrade> after keying in their respective details along with either security control measures implemented there at. For further details, see “*Terms of the Issue*” on page 177 of this Draft Letter of Offer.

Minimum Subscription

The objects of the Issue involve financing other than financing of capital expenditure for a project and our Promoters and members of our Promoter Group have, *vide* their letters dated August 6, 2024 (the “**Subscription Letters**”) undertaken to : (a) subscribe, jointly and/ or severally to the full extent of their Rights Entitlements and subscribe to the full extent of any Rights Entitlements that may be renounced in their favour by the Promoter or member(s) of the Promoter Group of our Company; and (b) subscribe to, either individually or jointly and/ or severally with the Promoter or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue which shall be adjusted against the unsecured loan of the promoter or promoter group.

Further, the Promoter and Promoter Group have *vide* their letters dated August 6, 2024 informed the Board that their individual shareholding shall not exceed 25% of post rights issue paid up capital of the Company.

The additional subscription by the Promoter and Promoter Group shall be made subject to such additional subscription not resulting in the minimum public shareholding of the issuer falling below the level prescribed in LODR/ SCRR and in compliance with SEBI SAST Regulations, 2011, as amended. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

CAPITAL STRUCTURE

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

(in ₹ Lakhs, except share data)

S. No.	Particulars	Amount	
		Aggregate value at nominal value	Aggregate value at Issue Price*
A.	Authorised Share Capital		
	4,90,00,000 Equity Shares of ₹10/- each	4,900.00	
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	1,43,23,939 Equity Shares of face value of ₹10/- each	1,432.39	
C.	Present Issue in terms of this Draft Letter of Offer⁽¹⁾		
	Up to [●] Equity Shares of ₹10/- each	[●]	[●]
D.	Issued, Subscribed and Paid-Up Share Capital after the Issue		
	[●] Equity Shares of face value of ₹10/- each	[●]	
E.	Securities Premium Account		
	Before the Issue	1,178.21	
	After the Issue	[●]	

⁽¹⁾The present Issue has been authorised vide a resolution passed at the meeting of the Board of Directors dated January 6, 2024, read with the resolution passed by the Rights Issue Committee in its meeting held on August 10, 2024. The terms of the Issue including the Record Date and Rights Entitlement Ratio, have been approved by a resolution passed by the Board at its meeting held on [●].

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

NOTES TO CAPITAL STRUCTURE

1. Details of outstanding instruments as on the date of this Draft Letter of Offer:

As on date of this Draft Letter of Offer, our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.

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

Amarr Narendra Galla, the Promoter of our Company, and members of our Promoter Group have, *vide* their letters dated August 6, 2024 (the “**Subscription Letters**”) undertaken to: (a) subscribe, jointly and/ or severally to the full extent of their Rights Entitlements and subscribe to the full extent of any Rights Entitlements that may be renounced in their favour by any the Promoter or member(s) of the Promoter Group of our Company; and (b) subscribe to, either individually or jointly and/ or severally with the Promoter or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue which shall be adjusted against the unsecured loan of the promoter or promoter group.

Further, the Promoter and Promoter Group have *vide* their letters dated August 6, 2024 informed the Board that their individual shareholding shall not exceed 25% of post rights issue paid up capital of the Company.

The additional subscription by the Promoter and Promoter Group shall be made subject to such additional subscription not resulting in the minimum public shareholding of the issuer falling below the level prescribed in LODR/ SCRR and in compliance with SEBI SAST Regulations, 2011, as amended. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

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

- i. The shareholding pattern of our Company as on June 30, 2024, can be accessed on the website of the BSE at: <https://www.bseindia.com/stock-share-price/enbee-trade--finance->

ltd/enbetrd/512441/shareholding-pattern/

- ii. Statement showing shareholding pattern of the Promoter and Promoter Group including details of lock-in, pledge of and encumbrance thereon, as on June 30, 2024 can be accessed on the website of the BSE at:
<https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=512441&qtrid=122.00&QtrName=June%202024>
- iii. Statement showing holding of Equity Shares of persons belonging to the category “Public” including shareholders holding more than 1% of the total number of Equity Shares as on June 30, 2024 can be accessed on the website of the BSE at
<https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=512441&qtrid=122.00&QtrName=June%202024>

4. Details of shares locked-in, pledged, encumbrance by Promoter and promoter group:

As on the date of this Draft Letter of Offer, the shareholding of our Promoters and members of our Promoter Group has not been pledged, locked-in or otherwise encumbered.

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

- a) Our Promoter and members of our Promoter Group had acquired Equity Shares in the 2023 Rights Issue of our Company, details of which have been provided below:

S. No.	Name of the Promoter and Promoter Group	Number of Equity Shares acquired during the 2023 Rights Issue
1.	Bharat Thakarshi Mamania	1,66,660
2.	Bharat Thakarshi Mamania HUF	1,18,850
3.	Rekha Bharat Mamania	3,26,230
4.	Bharathi Narendra Gala	14,93,442
5.	Neel Bharat Mamania	3,26,230
6.	Ssamta Amar Gaala	29,79,512
7.	Amarr Narendra Galla	32,33,320
8.	Amar Narendra Gala HUF	1,18,850
9.	Narendra Bhavanji Gala HUF	2,00,000
10.	Neha Mehul Gala	6,09,018
11.	Mehul Narendra Gala	6,09,018
12.	Mehul Narendra Gala HUF	1,18,850
Total		1,02,99,980

- b) Our Promoters and members of our Promoter Group have acquired or sold Equity Shares in the last one year immediately preceding the date of filing of this Draft Letter of Offer, details of which have been provided below:

Date of Sale	Name	Sale / Purchase	Quantity	Average Rate
10/11/23	Mehul Narendra Gala HUF	Sale	60,000	14.73
12/11/23	Mehul Narendra Gala		3,000	15.51
13/11/23	Mehul Narendra Gala		28,000	15.00
15/11/23	Neha Mehul Gala		25,747	14.38
15/11/23	Mehul Narendra Gala		28,000	14.32
16/11/23	Neha Mehul Gala		26,753	14.17
20/11/23	Mehul Narendra Gala HUF		6,000	13.90
20/11/23	Neha Mehul Gala		15,000	13.94
20/11/23	Mehul Narendra Gala		7,000	13.81
21/11/23	Mehul Narendra Gala HUF		48,850	13.97
21/11/23	Neha Mehul Gala		80,000	13.53
22/11/23	Neha Mehul Gala		60,500	12.75
22/11/23	Mehul Narendra Gala		60,000	12.45
23/11/23	Mehul Narendra Gala HUF		9,000	11.79

Date of Sale	Name	Sale / Purchase	Quantity	Average Rate
23/11/23	Neha Mehul Gala		80,000	12.04
23/11/23	Mehul Narendra Gala		60,000	11.67
24/11/23	Neha Mehul Gala		90,018	11.29
24/11/23	Mehul Narendra Gala		68,018	11.05
28/11/23	Neha Mehul Gala		65,000	10.74
29/11/23	Neha Mehul Gala		8,001	11.00
30/11/23	Neha Mehul Gala		39,067	11.48
30/11/23	Mehul Narendra Gala		14,000	11.38
01/12/23	Neha Mehul Gala		45,700	11.51
04/12/23	Mehul Narendra Gala		19,000	11.34
05/12/23	Mehul Narendra Gala		47,000	10.84
06/12/23	Neha Mehul Gala		12,732	10.51
06/12/23	Mehul Narendra Gala		67,500	10.48
07/12/23	Neha Mehul Gala		55,500	9.93
07/12/23	Mehul Narendra Gala		69,500	9.96
08/12/23	Bharat Thakarshi Mamania		56,895	10.32
08/12/23	Bharat Thakarshi Mamania HUF		5,000	10.24
08/12/23	Neha Mehul Gala		10,000	10.23
08/12/23	Mehul Narendra Gala		71,500	10.35
11/12/23	Bharat Thakarshi Mamania		1,34,765	10.89
11/12/23	Bharat Thakarshi Mamania HUF		1,18,850	10.89
11/12/23	Neel Bharat Mamania		3,31,230	10.89
11/12/23	Mehul Narendra Gala		71,500	10.89
11/12/23	Rekha Bharat Mamania		3,31,230	10.89
15/12/23	Mehul Narendra Gala		70,000	13.23
15/12/23	Narendra Bhavanji Gala HUF	Off Market Sale To Other Promoter	2,10,000	-
15/12/23	Mehul Narendra Gala	Off Market Purchase From Other Promoter	2,10,000	-
18/12/23	Bharathi Narendra Gala	Sale	14,10,001	13.89
19/12/23	Mehul Narendra Gala		70,000	14.58
20/12/23	Ssamta Amar Gaala		4,75,000	15.30
21/12/23	Ssamta Amar Gaala		7,25,000	16.06
29/12/23	Ssamta Amar Gaala		4,36,500	20.42
11/06/24	Ssamta Amar Gaala		109	12.10

- c) The details of the acquisition or sale made by our Promoter and members of our Promoter Group in the preceding one year can be accessed on the website of BSE at <https://www.bseindia.com/stock-share-price/enbee-trade--finance-ltd/enbetrd/512441/disclosures-insider-trading-2015/>.
- d) Except as mentioned above, our Promoter and members of our Promoter Group have not acquired or sold any Equity Shares in the last one year immediately preceding the date of filing of this Draft Letter of Offer.

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

The table sets forth the details of Equity Shareholders holding more than 1% of the issued and paid-up Equity Share capital of our Company, as of June 30, 2024:

S. No.	Name of Equity Shareholders	Number of Equity Shares held	Percentage of Equity Shares held (%)
1.	Amarr Narendra Galla	35,18,486	24.56
2.	Ssamta Amar Gaala	13,92,903	9.72
3.	Damyanti Jivandas Gokalgandhi	5,10,000	3.56
4.	Ravi Harendra Thaker	1,55,200	1.08
5.	Chirag Rajendra Shah	1,50,000	1.05

7. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the Takeover Regulations is ₹ [●]/- per equity share.
8. At any given time, there shall be only one denomination of the Equity Shares of our Company.
9. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer. Further, the Equity Shares allotted pursuant to the Issue, shall be fully paid up.

OBJECTS OF THE ISSUE

The objects of the Issue are:

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

(collectively, referred to hereinafter as the “Objects”)

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

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

Details of objects of the Issue

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

(₹ in lakhs)	
Particulars	Amount
Gross Proceeds from the Issue*	4000.00
Less: Estimated Issue related expenses	[●]
Net Proceeds from the Issue	[●]

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

Requirement of Funds and Utilisation of Net Proceeds

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

(₹ in lakhs)	
Particulars	Amount
Repayment of unsecured loans availed by our Company from Promoter and Promoter Group of our Company	2,690.85
Augmentation of Capital Base	1,209.15
Net proceeds from the Issue*	[●]

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

Means of Finance

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

Proposed Schedule of Implementation or Deployment of Net Proceeds

The following table provides the schedule of utilization of the Net Proceeds:

Particulars	Amount to be funded from Net Proceeds	Proposed Schedule for deployment of the Net Proceeds
		Financial Year 2024-25
Repayment of unsecured loans availed by our Company from Promoter and Promoter Group of our Company	2,690.85	2,690.85
Augmentation of Capital Base	1,209.15	1209.15
Total Net Proceeds	[●]	[●]

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

Details of the Objects of the Issue

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

Our Company has availed unsecured loans from Promoter and Promoter Group of our Company. These unsecured loans were raised by our Company for the purpose of the business of the Company. Our Company intends to utilize ₹ 2,690.85 lakhs of the Net Proceeds towards repayment of the unsecured loans by adjusting the same against their application money to the extent of their subscription and allotment of rights Equity Shares to them under the Issue whether pursuant to their Rights Entitlements (including Rights Entitlements renounced in their favour, if any) or subscription to Additional Rights Equity Shares (as the case may be) and consequently, no fresh proceeds would be received by our Company to that extent. The unsecured loans are repayable within 7 (seven) days of our Promoter and Promoter Group providing a written notice of demand to the Company. The following table provides details along with the terms on which the unsecured loans have been availed by our Company, as on March 31, 2024, which are proposed to be repaid from the Net Proceeds:-

Sr. No.	Name of the Promoter/Promoter Group/Lender	Outstanding unsecured loans as on March 31, 2024 (in ₹ lakhs)*	Purpose of availing unsecured loans*	Interest rate (%) p.a.	Proposed repayment from Net Proceeds (₹ in lakhs)
1.	Amar Narendra Galla	725	Business Activities	9%	725
2.	Amar Narendra Gala HUF	2.5	Business Activities	9%	2.5
3.	Bharathi Narendra Gala	730	Business Activities	9%	730
4.	Mehul Narendra Gala	310	Business Activities	9%	310
5.	Ssanta Amar Gaala	923.35	Business Activities	9%	923.35
	Total	2,690.85			2,690.85

*Pursuant to certificate issued by statutory auditor dated August 10, 2024 confirming the amount outstanding and the utilization of loan for the purpose availed.

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

Interest of Promoters and Directors in the objects of the Issue

Our Promoter and Promoter Group (mentioned in the above table) has confirmed that an amount of ₹ 2,690.85 lakhs out of the total loan availed by the Company from them in the nature of identified unsecured loans as per the details mentioned in the above table, is proposed to be adjusted towards the application money to be received by the Company, for the subscription to the Rights Equity Shares to be allotted in this Issue, from our Promoter and Promoter Group, to the extent of their entitlement, renunciation of entitlement in favor of the members of Promoter Group (if any) in the Issue and additional subscribed by them in the Rights Issue. Consequently, no fresh issue proceeds would be received by our Company to such an extent.

2. Augmentation of Capital Base:

We are a Non Deposit taking Non-Banking Financial Company (NBFC-ND) registered with RBI. On April 20, 1998 our Company secured the registration as a Non Deposit accepting Non- Banking Financial Company with RBI bearing Registration Number: 13.00691. We are involved in the business of lending unsecured loans to body

corporates and individuals. As of June 30, 2024, we have provided loans worth ₹ 7,837.55 lakhs to various individuals and body corporate.

Our Company intend to utilise ₹ 1,209.15 lakhs from the Net Proceeds towards augmentation of capital base to meet our future capital requirements for our business activities, which are expected to arise out of growth of our business and assets, including but not limited to expansion of the financing business and/or to provide for funding of fresh loans to our customers.

Issue related expenses

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

Particulars	Amount (₹ In Lakhs)*	As a percentage of total expenses*	As a percentage of Issue size*
Fees of the Lead Managers, Bankers to the Issue, Registrar to the Issue, Legal Advisor, Auditor's fees, including out of pocket expenses etc.	[•]	[•]	[•]
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	[•]	[•]	[•]
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	[•]	[•]	[•]
Total estimated Issue expenses*	[•]	[•]	[•]

**Details will be finalized at the time of filing of the Letter of Offer and determination of Issue Price and other details.*

Interim use of funds

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

Bridge Financing Facilities

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

Monitoring of utilization of funds

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

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

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

Appraising Agency

None of the Objects for which the Net Proceeds will be utilised, require appraisal from any agency, in accordance with applicable law.

Strategic or Financial Partners

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

Other Confirmations

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

STATEMENT OF TAX BENEFITS

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

To

The Board of Directors

Enbee Trade & Finance Limited

B4/C5, Gods Gift CHS Ltd, N.M. Joshi Marg, Lower Parel,

Mumbai, Maharashtra, 400 013

(the “**Company**”)

And

Saffron Capital Advisors Private Limited

605, Center Point, Sixth Floor,

Andheri - Kurla Road, J.B. Nagar

Andheri (East), Mumbai - 400 059

(Saffron Capital Advisors Private Limited referred to as the “**Lead Manager**”)

Dear Sirs,

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

We, Ambavat Jain & Associates LLP, Chartered Accountants, statutory auditors of the Company, have been requested by the Company to confirm special tax benefits available to the Company and its shareholders. On the basis of our understanding of the business activities and operations of the Company and records as produced to us and the information and explanations given to us, we report in the enclosed statement in the **Annexure**, on possible special tax benefits. As reported in the Annexure, there are no special tax benefits available to the Company and its shareholders, under direct tax laws i.e. Income tax Rules, 1962 including amendments made by the Finance Act, 2024 (hereinafter referred to as “Income Tax Laws”), and indirect tax laws i.e. the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations, circulars and notifications issued thereunder, Foreign Trade Policy presently in force in India.

Several of these benefits are dependent on the Company, its shareholders as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company, its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its shareholders faces in the future, the Company and its shareholders may or may not choose to fulfill.

We confirm that while providing this certificate, we have complied with the Code of Ethics issued by the Institute of Chartered Accountants of India. 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,’ issued by the ICAI.

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

The benefits discussed in the enclosed **Annexure** are not exhaustive. 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 Issue. Neither are we suggesting nor advising the investor to invest in the Issue based on this statement.

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

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

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

We also consent to the references to us as “Experts” as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the Draft Letter of Offer and Letter of Offer “(**Offer Documents**)” of the Company or in any other documents in connection with the Issue.

We hereby give consent to include this statement of special tax benefits in the Offer Documents and in any other material used in connection with the Issue.

This certificate is issued for the sole purpose of the Issue, and can be used, in full or part, for inclusion in the Offer Documents and any other material used in connection with the Issue, and for the submission of this certificate as may be necessary, to any regulatory / statutory authority, recognized stock exchange, any other authority as may be required and/or for the records to be maintained by the Lead Manager in connection with the Issue and in accordance with applicable law, and for the purpose of any defense the Lead Manager may wish to advance in any claim or proceeding in connection with the contents of the offer documents.

This certificate may be relied on by the Company, Lead Manager, their affiliates and the legal counsel in relation to the Issue.

On being informed in writing to us of any changes by the company, we undertake to immediately update you, in writing, of any changes in the abovementioned information, until the date the Equity Shares issued/transferred pursuant to the Issue commence trading on the recognized stock exchange. In the absence of any such communication, you may assume that there is no change in respect of the matters covered in this certificate until the date the Equity Shares commence trading on the recognized stock exchange.

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

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

Ashish J Jain
Partner
Membership No.: 111829
Place: Mumbai
Date: August 10, 2024
UDINo.: 24111829BKCBXY7912

Encl.:
CC:

T&S Law
Unit Number 15, Logix Technova,
Block B, Sector 132, Noida – 201 304,
Uttar Pradesh, India.
(Referred to as the **Legal Counsel**)

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

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

1. Special tax benefits available to the Company under the Act

N.A.

2. Special tax benefits available to the shareholders under the Act

N.A.

Notes:

- a) The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- b) The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
- c) The above statement of special tax benefits is as per the current direct tax laws relevant for the Assessment year 2024-25.
- d) This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- e) In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
- f) No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

ANNEXURE 2

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

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

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

N.A.

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

N.A.

Notes:

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

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

c) This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

d) No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

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

GLOBAL PROSPECTS AND POLICIES

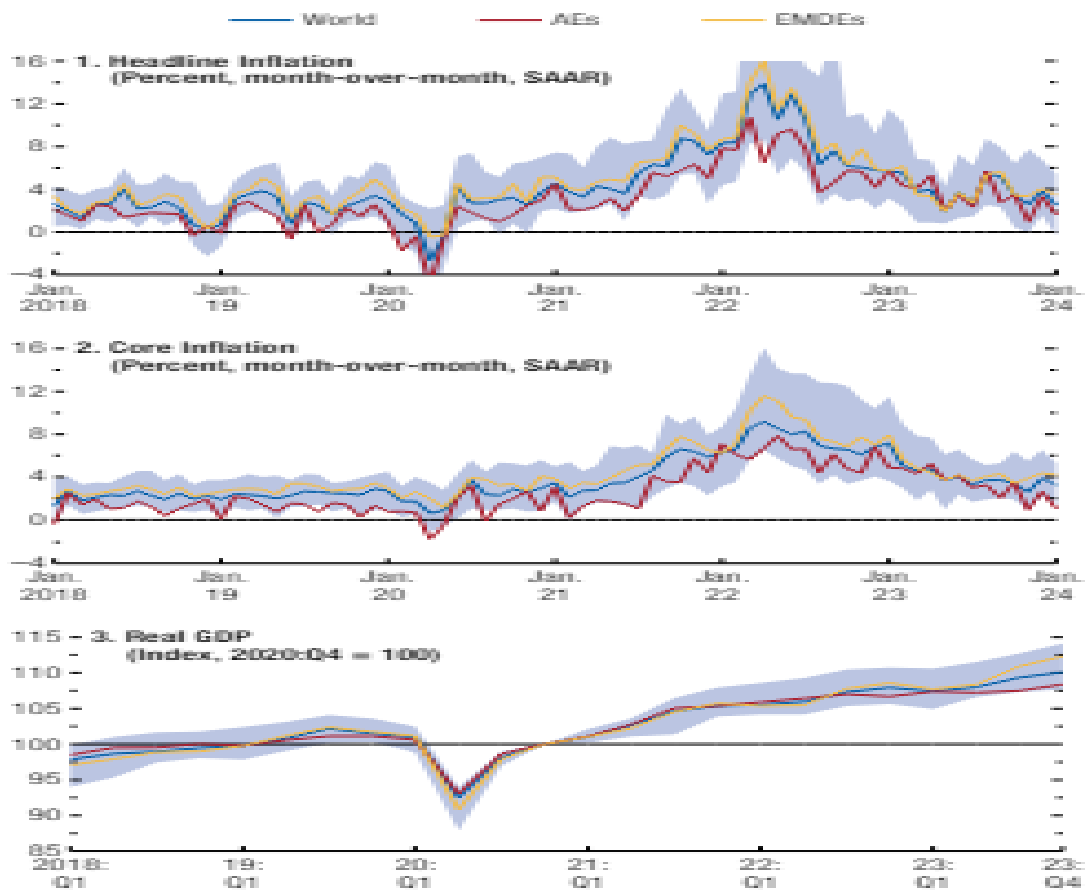
Disinflation amid Economic Resilience

Economic activity was surprisingly resilient during the global disinflation of 2022–23. Growth in employment and incomes has held steady as favorable demand and supply developments have supported major economies, despite rising central bank interest rates aimed at restoring price stability. As inflation converges toward target levels and central banks pivot toward policy easing, a tightening of fiscal policies aimed at curbing high government debt levels, with higher taxes and lower government spending, is expected to weigh on growth. The pace of expansion is also expected to remain low by historical standards as a result of factors including the long-term consequences of the COVID-19 pandemic, Russia’s invasion of Ukraine, weak growth in productivity, and increasing geoeconomic fragmentation.

In late 2023, headline inflation neared its prepandemic level in most economies for the first time since the start of the global inflation surge (Figure 1.1). In the last quarter of 2023, headline inflation for advanced economies was 2.3 percent on a quarter-over-quarter annualized basis, down from a peak of 9.5 percent in the second quarter of 2022. For emerging market and developing economies, inflation was 9.9 percent in the last quarter of 2023, down from a peak of 13.7 percent in the first quarter of 2022, but this average was driven by high inflation in a few countries; for the median emerging market and developing economy, inflation declined to 3.9 percent. This progress notwithstanding, inflation is not yet at target in most economies.

As global inflation descended from its peak, economic activity grew steadily, defying warnings of stagflation and global recession. During 2022 and 2023, global real GDP rose by a cumulative 6.7 percent. That is 0.8 percentage point higher than the forecasts made at the time of the October 2022 World Economic Outlook (WEO). The United States and several large emerging market and middle-income economies displayed the greatest overperformance, with aggregate demand supported by stronger-than-expected private consumption amid still-tight—though easing—labor markets. Households in advanced economies supported their spending by drawing down accumulated pandemic-era savings. Larger-than-expected government spending further supported the expansion of aggregate demand in most regions. The overall budgetary stance—measured by the structural fiscal balance—was more expansionary than expected, on average. Among large economies, the additional budgetary support, compared with October 2022 WEO forecasts, was estimated at 2 percent of GDP in the United States and 0.2 percent of GDP in the euro area, whereas in China, the fiscal stance was mildly tighter than expected, by 0.7 percent of GDP. The euro area also displayed the smallest upside growth surprise, reflecting weak consumer sentiment and the lingering effects of high energy prices.

Figure 1.1. Global Inflation Falling as Output Grows



Sources: Haver Analytics; and IMF staff calculations.
 Note: Panels 1 and 2 plot the median of a sample of 57 economies that accounts for 78 percent of World Economic Outlook world GDP (in weighted purchasing-power-parity terms) in 2023. Vertical axes are cut off at -4 percent and 16 percent. Panel 3 plots the median of a sample of 44 economies. The bands depict the 25th to 75th percentiles of data across economies. "Core inflation" is the percent change in the consumer price index for goods and services, excluding food and energy (or the closest available measure). AEs – advanced economies; EMDEs – emerging market and developing economies; SAAR – seasonally adjusted annual rate.

In parallel, global headline inflation declined broadly in line with expectations, averaging just 0.1 percentage point more than predicted in the October 2022 WEO for 2022 and 2023. However, in lower-income countries, inflation was on average higher than expected, reflecting cases in which pass-through into domestic prices from international food, fuel, and fertilizer costs, as well as from currency depreciation, was greater than expected. Price pressures in some lower-income countries were significant. These factors also caused these economies to grow more slowly than expected, suggesting a negative supply shock. In China, inflation fell unexpectedly, with the decrease reflecting sharply lower domestic food prices and pass-through effects on underlying (core) inflation.

The resilience in global economic activity was compatible with falling inflation thanks to a postpandemic expansion on the supply side. A greater-than-expected rise in the labor force amid robust employment growth supported activity and disinflation in advanced economies and several large emerging market and middle-income economies. The labor force expansion reflected, in some economies, increased inflows of migrants, with faster growth in the foreign-born than in the domestic-born labor force since 2021 as well as higher labor force participation rates. Exceptions to this pattern include China, where labor market weakness, in the context of subdued demand, was broad based across sectors, and lower-income countries, where supply-side challenges held job creation back. Greater-than-expected additions to the stock of physical capital, with business investment responding to the strength in product demand, further bolstered the supply side in most regions, with exceptions including the euro area, where interest-rate-sensitive business investment, particularly in manufacturing, was subdued.

Inflation (and Expectations) in Decline

The fall in headline inflation since 2022 reflects the fading of relative price shocks—notably those to energy prices—as well as lower core inflation. The decline in energy prices reflects not only increased global energy supply, but also the effects of tight monetary policies. The monetary tightening by central banks in major advanced economies during 2022–23 may have contributed strongly to lowering energy prices owing to its high degree of synchronization and the associated effect on curbing world energy demand (as in the analysis of Auclert and others 2023). Core inflation has declined as a result of the fading of effects of pass-through from past shocks to headline inflation, as well as because labor market pressures have eased. Pass-through effects include the effects of past relative price shocks—notably those to the price of energy and supply shifts in various industries—on prices and costs in other industries through supply-chain inputs and wage demands. Near-term inflation expectations are an important pass-through channel because of their implications for both wage and price setting and have declined toward target levels in both advanced economies and emerging market and developing economies, although measures of financial-market-based inflation expectations have recently shown signs of a pickup in the US.

Interest Rates Restrictive, but set to fell

To counter rising inflation, major central banks have raised policy interest rates to levels estimated as restrictive. As a result, mortgage costs have increased and credit availability is generally tight, resulting in difficulties for firms refinancing their debt, rising corporate bankruptcies, and subdued business and residential investment in several economies. The commercial real estate sector, including office markets, is under especially strong pressure in some economies, with rising defaults and lower investment and valuations, reflecting the combined effects of higher borrowing costs and the shift toward remote work since the pandemic.

However, despite concerns, a global economic downturn caused by a sharp rise in policy rates has not materialized, for several reasons. First, some central banks—including the European Central Bank and the Federal Reserve—raised their nominal interest rates after inflation expectations started to rise, resulting in lower real rates that initially supported economic activity. The Bank of Japan has continued to keep policy rates near zero, resulting in a steady decline in real interest rates. By contrast, the central banks of Brazil, Chile, and several other emerging market and developing economies raised rates relatively quickly, resulting in earlier increases in real interest rates. Second, households in major advanced economies were able to draw on substantial savings accumulated during the pandemic to limit the impact of higher borrowing costs on their spending. Third, changes in mortgage and housing markets over the prepandemic decade of low interest rates have limited the drag of the recent rise in policy rates on household consumption in several economies. The average maturity and share of mortgages subject to fixed rates increased, moderating the near-term impact of rate hikes. At the same time, there is substantial heterogeneity in the degree of the monetary policy pass-through to mortgages and housing markets across countries.

The Outlook: Steady Growth and Disinflation

Latest projections are for the global economy to continue growing at a similar pace as in 2023 during 2024–25 and for global headline and core inflation to decline steadily. There is little change in the forecast for global growth since the January 2024 WEO Update, with some adjustments for major economies, including a further strengthening in the projection for the United States, offset by modest downward revisions across several other economies. The forecast for global growth remains higher, however, than in the October 2023 WEO. The outlook for inflation is broadly similar to that in the October 2023 WEO, with a downward revision for advanced economies, offset by an upward revision for emerging market and developing economies. Medium-term prospects for growth in world output and trade remain the lowest in decades, with the pace of convergence toward higher living standards slowing for middle- and lower-income countries. The baseline forecasts for the global economy are predicated on a number of projections for global commodity prices, interest rates, and fiscal policies:

- **Commodity price projections:** As explained in the Commodity Special Feature in this chapter, prices of fuel commodities are projected to fall in 2024 by, on average, 9.7 percent, with oil prices falling by about 2.5 percent. The decreases reflect abundant spare capacity and strong non-OPEC+ (Organization of the Petroleum Exporting Countries plus selected nonmember countries, including Russia) supply growth.

- **Monetary Policy Projections:** With inflation projected to continue declining toward targets and longer-term inflation expectations remaining anchored, policy rates of central banks in major advanced economies are generally expected to start declining in the second half of 2024. Among major central banks, by the fourth quarter of 2024, the Federal Reserve’s policy rate is expected to have declined from its current level of about 5.4 percent to 4.6 percent, the Bank of England to have reduced its policy rate from about 5.3 percent to 4.8 percent, and the European Central Bank to have reduced its short-term rate from about 4.0 percent to 3.3 percent.
- **Fiscal Policy Projections:** Governments in advanced economies are expected to tighten fiscal policy in 2024 and, to a lesser extent, in 2025–26. Among major advanced economies, the structural fiscal-balance-to-GDP ratio is expected to rise by 1.9 percentage points in the United States and by 0.8 percentage point in the euro area in 2024. In emerging markets and developing economies, the projected fiscal stance is expected to be, on average, broadly neutral in 2024, with a tightening of about 0.2 percentage point projected for 2025.

[Source: The International Monetary Fund, World Economic Outlook April, 2024]

Indian Economic Overview

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

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

Market Size

As of February 2024, AUM managed by the mutual funds industry stood at US\$ 658.72 billion (Rs. 54.54 trillion).

Inflow in India's mutual fund schemes via systematic investment plans (SIP) from April’ 23 to February’ 24 stood at Rs. 1.79 lakh crore (US\$ 21.73 billion). Equity mutual funds registered a net inflow of Rs. 22.16 trillion (US\$ 294.15 billion) by end of December 2021. The net inflows were US\$ 888 million (Rs. 7,303.39 crore) in December as compared to a 21-month low of US\$ 274.8 million (Rs. 2,258.35 crore) in November 2022.

Another crucial component of India’s financial industry is the insurance industry. The insurance industry has been expanding at a fast pace. The total first-year premium of life insurance companies reached US\$ 32.04 billion in FY23. In FY23 (until December 2022) non-life insurance sector premiums reached US\$ 22.5 billion (Rs. 1.87 lakh crore). Furthermore, India’s leading bourse, the Bombay Stock Exchange (BSE), will set up a joint venture with Ebix Inc to build a robust insurance distribution network in the country through a new distribution exchange platform. In FY23, US\$ 7.17 billion was raised across 40 initial public offerings (IPOs). The number of companies listed on the NSE increased from 135 in 1995 to 2,113 by FY23 (till December 2022).

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

Leading AMC's in India (as of June 2021)

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

Investments/Developments

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

- In February 2024, Unified Payments Interface (UPI) recorded 12.10 billion transactions worth Rs. 18.28 lakh crore (US\$ 220.77 billion).
- The number of transactions through immediate payment service (IMPS) reached 534.6 million (by volume) and amounted to Rs. 5.58 trillion (US\$ 68.61 billion) in February 2024
- India's PE/VC investments were at US\$ 77 billion in 2021, which was 62% higher than in 2020.
- In 2021, Prosus acquired Indian payments giant BillDesk for US\$ 4.7 billion.
- In September 2021, eight Indian banks announced that they are rolling out—or about to roll out—a system called 'Account Aggregator' to enable consumers to consolidate all their financial data in one place.
- In September 2021, Piramal Group concluded a payment of US\$ 4.7 billion (Rs. 34,250 crore) to acquire Dewan Housing Finance Corporation (DHFL).

Government Initiatives

Some of the major Government Initiatives are:

- In 2023, the government revamped the credit guarantee scheme. The inflow of US\$ 1.08 billion (Rs. 9,000 crores) into the corpus of the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) will give MSMEs more access to collateral-free loans.
- In September 2021, the international branch of the National Payments Corporation of India (NPCI), NPCI International Payments (NIPL), has teamed with Liquid Group, a cross-border digital payments provider, to enable QR-based UPI payments to be accepted in 10 countries in north and southeast Asia.

- On September 30, 2021, the Reserve Bank of India communicated that the applicable average base rate to be charged by non-banking financial companies – micro-finance institutions (NBFC-MFIs) to their borrowers for the quarter beginning October 1, 2021, will be 7.95%.
- On September 30, 2021, the IFSC Authority constituted an expert committee to recommend an approach towards the development of a sustainable finance hub and provide a road map for the same.
- In August 2021, Prime Minister Mr. Narendra Modi launched e-RUPI, a person and purpose-specific digital payment solution. e-RUPI is a QR code or SMS string-based e-voucher that is sent to the beneficiary's cell phone. Users of this one-time payment mechanism will be able to redeem the voucher at the service provider without the usage of a card, digital payments app, or Internet banking access..

Road Ahead

India's financial services industry has experienced huge growth in the past few years. This momentum is expected to continue. India's private wealth management Industry shows huge potential. India is expected to have 16.57 lakh HNWI's in 2027. This will indeed lead India to be the fourth-largest private wealth market globally by 2028. India's insurance market is also expected to reach US\$ 250 billion by 2025. This will further offer India an opportunity of US\$ 78 billion in additional life insurance premiums from 2020-30.

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

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

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” beginning on page 21, for a discussion of the risks and uncertainties related to those statements, as well as “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 84 and 130, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements and Limited Reviewed Unaudited Financial Statements.

Overview

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

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

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

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

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

Our restated standalone revenues from operations for Fiscals 2024, 2023 and 2022 were ₹ 1,025.30 lakhs, ₹ 486.72 lakhs and ₹ 363.71 lakhs respectively. Our standalone EBITDA for the Fiscals 2024, 2023 and 2022 were ₹ 457.55, ₹ 160.12 lakhs and ₹ 166.58 lakhs, respectively. Our restated standalone profit after tax for Fiscals 2024, 2023 and 2022 were ₹ 155.77 lakhs, ₹ 14 lakhs and ₹ 90 lakhs respectively.

Our loan portfolio as of June 30, 2024, is ₹ 7,837.55 lakhs.

An overview of loan portfolio as of June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 is as follows:

	(₹ in lakhs)			
Particulars	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Loan to Related Parties	NIL	NIL	NIL	NIL
Other Loan and Advances – INDIVIDUAL	7,577.55	5,976.55	3,314.50	1,939.25

Particulars	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Other Loan and Advances – BODY CORPORATE	260.00	260.00	235.00	235.00
TOTAL	7,837.55	6,236.55	3,549.50	2,174.25

DETAILS OF OUR MAJOR BUSINESS ACTIVITIES

As the Company has been granted NBFC License by RBI, the Company's business model is mainly centered on Loan activities i.e. granting of unsecured loans to body corporates and individuals.

OUR BUSINESS STRATEGY

Maintain and Expand Long-term Relationships with Clients

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

Leveraging of our Marketing Skills and Relationships

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

Focus on customer services by efficient use of technology

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

Continue to focus on cost efficiency and improving productivity

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

Attract and retain experienced professionals

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

Utilities & Infrastructure Facilities

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

Collaborations

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

Manpower

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

Intellectual Property

Our Company uses the trademark “Enbee”. However, our Company does not own neither has registered the trade mark for the brand name ‘Enbee’.

Immovable Property

Details of our immovable property are as follows:

Sr. No.	Details of the Property	Licensor/Lessor/Vendor	Owned/ Leased	Consideration/ Lease Rental/ License Fees (in Rs.)	Use
1	B4 /C5, God’s Gift Chs Ltd, N M Joshi Marg, Lower Parel, Mumbai – 400 013, Maharashtra, India	Mr. Amar Narendra Gala	Leased	Monthly License fees of Rs. 60000/-	Registered Office

Insurance

Our Company does not have insurance coverage which we believe is in accordance with the industry standards. We constantly evaluate the risks in an effort to be sufficiently covered for all known risks. We will continue to review our policies to ensure adequate insurance coverage is maintained.

Sr. No.	Nature of the policy	Date of expiry	Sum Insured (in ₹)	Premium amount (in ₹)
1	Car Insurance Policy	12-04-2025	78,84,775	1,65,135
2	Car Insurance Policy	07-04-2025	64,65,250	1,27,123

Competitors

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

Customers

We cater to retail as well as institutional clients.

OUR MANAGEMENT

Our Board of Directors

As per the Articles of Association and subject to the provisions of the Companies Act, our Company is required to have not less than three Directors and not more than twelve Directors, unless otherwise determined by our Company through a special resolution. As on the date of this Draft Letter of Offer, our Board comprises five (05) Directors, of which one (01) Director is Managing Director, one (01) Director is Whole-time Director, who is also the woman Director of our Company and three (03) Directors are Independent Directors.

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

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
Amarr Narendra Galla DIN: 07138963 Date of Birth: July 7, 1980 Designation: Chairman and Managing Director Address: A 2703, One Avighna Park, M P Road, Parel, Mumbai – 400012, Maharashtra, India Occupation: Business Term: For a period of five years with effect from July 1, 2020 until June 30, 2025 Nationality: Indian	44	Nil
Ssamta Amar Gaala DIN: 07138965 Date of Birth: November 27, 1987 Designation: Whole-time Director Address: A 2703, One Avighna Park, M P Road, Parel, Mumbai – 400012, Maharashtra, India Occupation: Business Term: For a period of five years with effect February 27, 2023. Nationality: Indian	36	Nil
Akash Shailesh Gangar DIN: 09079830 Date of Birth: September 9, 1990 Designation: Independent Director Address: C-21, Indraprastha Society, Near Sarvoday Nagar, Near Jain Mandir, Mulund (W) Mumbai- 400 080, Maharashtra, India Occupation: Business Term: For a period of five (05) years with effect from March 11, 2021 until March 10, 2026	33	Nil

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
Nationality: Indian		
Jayesh Gulabbhai Patel	45	Nil
DIN: 06942623		
Date of Birth: April 20, 1979		
Designation: Independent Director		
Address: 501/a, Vikas Tower Chsl, Society Road, Near Amboli Fatak, Next To Nikunj School, Andheri East, Mumbai – 400 069, Maharashtra, India.		
Occupation: Business		
Term: For a period of four (04) years with effect from March 11, 2021 until March 10, 2025		
Nationality: Indian		
Rakeshkumar Dinesh Mishra	37	<i>Companies</i>
DIN: 06919510		
Date of Birth: May 15, 1987		
Designation: Independent (Additional) Director		
Address: 706 Neelkanth Tower, 1 Kanakia Road, Opp. Prince Regency Mira Road, East Thane – 401 107, Maharashtra, India.		
Occupation: Professional		
Term: Shall hold office up to the ensuing Annual General Meeting		
Nationality: Indian		
<i>Parle Industries Limited</i>		
<i>SP Jain School of Global Management Private limited</i>		
<i>Limited Liability Partnerships</i>		
Nil		

Brief Biographies of our Directors

Amarr Narendra Galla, aged 44 years, is the Promoter, Chairman and Managing Director of our Company. He is an undergraduate and has more than eight years of experience in banking and finance. He along with the members of our Promoter Group had taken over the control of our Company during the year 2015 pursuant to an open offer, by acquiring 94,913 fully paid-up Equity Shares of face value of ₹ 10 each, representing 26% of the total share capital of our Company on a fully diluted basis. He heads the loan and financing divisions of our Company.

Ssamta Amar Gaala, aged 36 years, is the Whole-time Director of our Company. She has completed a post diploma degree in interior design from School of Interior Design. She heads the human resource division of our Company and has an experience of eight years in human resource management.

Akash Shailesh Gangar, aged 33 years, is the Independent Director of our Company. He holds a bachelor's degree in engineering from University of Mumbai. He is a partner in M/s. Neminath Impex and is engaged in the business of garment trading.

Jayesh Gulabbhai Patel, aged 45 years, is the Independent Director of our Company. He is an undergraduate. He is the sole proprietor of M/s. Jayesh G. Patel and is engaged in the business of offering financial consultancy and advisory.

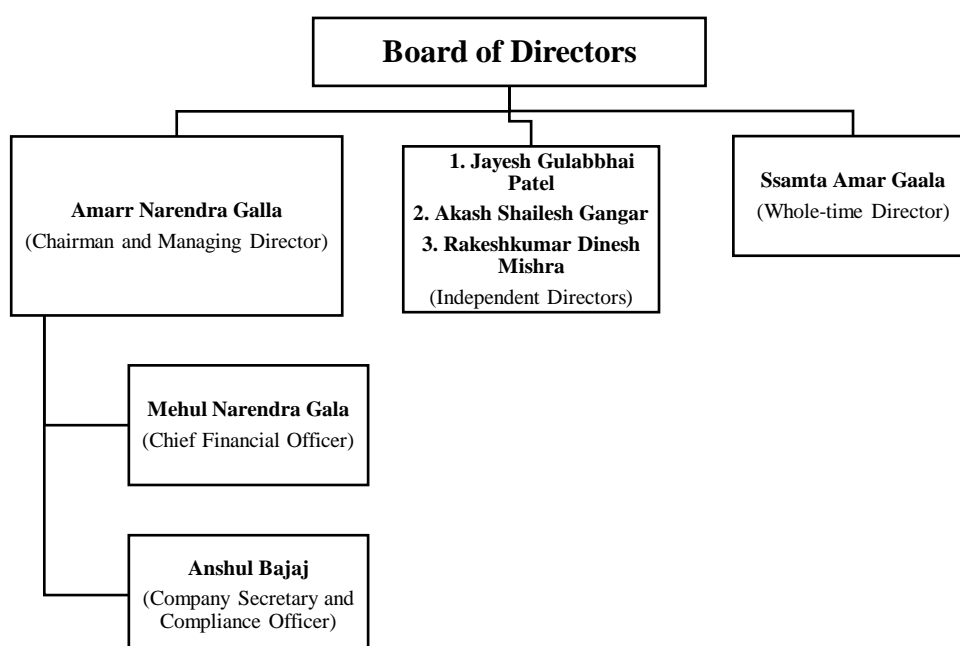
Rakeshkumar Dinesh Mishra, aged 37 years, is the Independent (Additional) Director of our Company. He attended University of Mumbai to pursue a bachelor's degree in commerce. He is an associate member of the Institute of Company Secretaries of India.

Confirmations

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

Management Organization Structure

Set forth is the organization structure of our Company:



Corporate Governance

The provisions of the SEBI Listing Regulations and the Companies Act with respect to corporate governance are applicable to us.

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

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

Committees of our Board

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

- Audit Committee.

- b) Stakeholders' Relationship Committee; and
- c) Nomination and Remuneration Committee.

Details of each of these committees are as follows:

(a) Audit Committee

The Audit Committee was last re-constituted by a resolution of our Board dated March 11, 2021. It is in compliance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The current constitution of the Audit committee is as follows:

Name of Director	Position in the Committee	Designation
Jayesh Gulabbhai Patel	Chairperson	Independent Director
Akash Shailesh Gangar	Member	Independent Director
Ssamta Amar Gaala	Member	Whole-time Director

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

A. Powers of 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;
- (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.

B. Role of Audit Committee

The role of the Audit Committee shall include the following:

- (1) oversight of financial reporting process and the disclosure of financial information relating 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;
- (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 auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;

- e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; 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 utilised for purposes other than those stated in the Issue 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 of directors of the Company 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) monitoring the end use of funds raised through public offers and related matters;
- (21) 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;
- (22) reviewing the functioning of the whistle blower mechanism;
- (23) monitoring the end use of funds raised through public offers and related matters;

- (24) 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;
- (25) 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;
- (26) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 1,00,00,00,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
- (27) To formulate, review and make recommendations to the Board to amend the Terms of Reference of Audit Committee from time to time;
- (28) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and
- (29) carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations, Companies Act, 2013, uniform listing agreements and/or any other applicable law, as and when amended from time to time.

The Audit Committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. management letters / letters of internal control weaknesses issued by the statutory auditors;
3. internal audit reports relating to internal control weaknesses;
4. the appointment, removal and terms of remuneration of the chief internal auditor;
5. 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.
6. review the financial statements, in particular, the investments made by any unlisted subsidiary;
7. such information as may be prescribed under the Companies Act and SEBI Listing Regulations.

The Company Secretary of our Company shall serve as the secretary of the Audit Committee.

The Audit Committee is required to meet at least four times in a year under Regulation 18(2)(a) of the SEBI Listing Regulations. The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

(b) Nomination and Remuneration Committee

The Nomination and Remuneration committee was last re-constituted by a resolution of our Board dated July 26, 2024. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The current constitution of the Nomination and Remuneration committee is as follows:

Name of Director	Position in the Committee	Designation
Jayesh Gulabbhai Patel	Chairperson	Independent Director
Akash Shailesh Gangar	Member	Independent Director
Rakeshkumar Dinesh Mishra	Member	Independent (Additional) Director

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

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company a policy relating to the remuneration of the directors, key managerial personnel and other employees (“**Remuneration Policy**”).

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) for every appointment of an independent director, evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparing a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may: (a) use the services of an external agencies, if required; (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and (c) consider the time commitments of the candidates.
 - (3) formulation of criteria for evaluation of independent directors and the Board;
 - (4) devising a policy on Board diversity;
 - (5) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director’s performance (including independent director);
 - (6) analysing, monitoring and reviewing various human resource and compensation matters;
 - (7) 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;
 - (8) 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;
 - (9) recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
 - (10) carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;
 - (11) 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;
 - (12) perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, if applicable;
- (a) to administer the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan (“**ESOP Scheme**”) including the following:
 - i. determining the eligibility of employees to participate under the ESOP Scheme;
 - ii. determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;
 - iii. date of grant;
 - iv. determining the exercise price of the option under the ESOP Scheme;

- v. the conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
 - vi. the exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
 - vii. the specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;
 - viii. the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
 - ix. re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;
 - x. the grant, vest and exercise of option in case of employees who are on long leave;
 - xi. allow exercise of unvested options on such terms and conditions as it may deem fit;
 - xii. the procedure for cashless exercise of options;
 - xiii. forfeiture/ cancellation of options granted;
 - xiv. formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:
 - the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
 - for this purpose, follow global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and
 - the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.
- (13) construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme.
- (14) frame 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 Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
- (15) 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.
- (16) to consider any other matters as may be requested by the Board; and
- (17) to make available its terms of reference and review annually those terms of reference and its own effectiveness and recommend any necessary changes to the Board.
- (18) the committee is authorised by the Board to:
- (a) investigate any activity within its terms of reference;
 - (b) seek any information from any employee of the Company or any associate or subsidiary, joint venture Company in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee; and
 - (c) call any director or other employee to be present at a meeting of the Committee as and when required.
- (19) if the Committee considers it necessary so to do it is authorised to obtain appropriate external advice including but not limited to legal and professional advice to assist it in the performance of its duties and to secure the services of outsiders with relevant experience and expertise and to invite those persons to attend at meetings of the Committee. The cost of obtaining any advice or services shall be paid by the Company within the limits as authorised by the Board.

The Nomination, Remuneration and Compensation Committee is required to meet at least once in a year under Regulation 19(3A) of the SEBI Listing Regulations.

The quorum for a meeting of the Nomination, Remuneration and Compensation shall be two members or one third of the members of the committee, whichever is greater, including at least one independent director.

(c) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was last re-constituted by a resolution of our Board dated March 11, 2021. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations. The current constitution of the Stakeholders' Relationship Committee is as follows:

Name of Director	Position in the Committee	Designation
Jayesh Gulabbhai Patel	Chairperson	Independent Director
Akash Shailesh Gangar	Member	Independent Director
Amar Narendra Galla	Member	Managing Director

The scope and function of the Stakeholders' Relationship Committee is in accordance with Regulation 20 of the SEBI Listing Regulations. Its terms of reference are as follows:

- (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) giving effect to all transfer/transmission of shares and debentures, dematerialization 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;
- (7) to approve allotment of shares, debentures or any other securities as per the authority conferred / to be conferred to the Committee by the Board of Directors from time to time;
- (8) to approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, re-materialisation etc. of shares, debentures and other securities;
- (9) to monitor and expedite the status and process of dematerialization and re-materialisation of shares, debentures and other securities of the Company;
- (10) 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; and
- (11) such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

The Stakeholders' Relationship Committee is required to meet at least once in a year under Regulation 20(3A) of the SEBI Listing Regulations.

Additionally, our Company has constituted various operational committees such as the Rights Issue Committee.

Our Key Managerial Personnel

In addition to our Managing Director and Whole-time Director, whose details have been provided under paragraph above titled '*Brief Profile of our Directors*', set forth below are the details of our Key Managerial Personnel as on the date of filing of this Draft Letter of Offer:

Mehul Narendra Gala, aged 44 years, is the Chief Financial Officer of our Company. He holds a bachelor's degree in commerce from University of Mumbai. He has been associated with our Company since November 12, 2016 in the capacity of a Chief Financial Officer and has more than six years of experience in accounting and finance.

Anshul Bajaj, aged 37 years, is the Company Secretary and Compliance Officer of our Company. She attended Pt. Ravishankar Shukla University to pursue a bachelor's degree in commerce. She is an associate member of the Institute of Company Secretaries of India. She has an experience of more than four years in the secretarial and compliance industry. She has been associated with our Company since June 21, 2024 in the capacity of a Company Secretary and Compliance Officer.

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

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

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

Relationship of Key Managerial Personnel with other Key Managerial Personnel

Amarr Narendra Galla is the spouse of Ssamta Amar Gaala and brother of Meyhul Narendra Gaala. Except as disclosed above, none of our Key Managerial Personnel are related to each other.

OUR PROMOTER

Our Promoter is Amarr Narendra Galla.

The details of the shareholding of our Promoter, as on date of this Draft Letter of Offer, has been provided below:

S. No.	Name of the Promoter	Number of Equity Shares held	% of the total number of shares
1.	Amarr Narendra Galla	35,18,486	24.56

Our Company confirms that the permanent account number, bank account number(s) and passport number of our Promoter shall be submitted to the Stock Exchange at the time of filing this Draft Letter of Offer.

For details of the educational qualifications, experience, other directorships, positions / posts held by Amarr Narendra Galla, please see the chapter titled “*Our Management*” on page 71 of this Draft Letter of Offer.

Confirmations

1. Our Promoter has not been declared as wilful defaulters or fraudulent borrowers by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.
2. Our Promoter has not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
3. Our Promoter has not been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoter is not and has never been promoter, director or person in control of any other company, which is/are debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
4. Except as stated in the chapter titled “*Outstanding Litigations and Defaults*” on page 142, there are no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Issue against our Promoter.

RELATED PARTY TRANSACTIONS

For details regarding our related party transactions for the Financial Years ended 2024, 2023 and 2022, see “*Financial Information – Restated Financial Information – Notes to Restated Financial Information – Note 25: Related Party Disclosures*” on page 106 of this Draft Letter of Offer.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited, net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. In accordance with Regulation 43A of the SEBI Listing Regulations, our Company is not mandated to adopt a dividend distribution policy.

Dividends paid on Equity Shares:

Our Company has not declared dividends on the Equity Shares in each of the Financial Years ending 2022, 2023 and 2024 and the period between April 1, 2024 and the filing of the DLOF. There is no guarantee that any dividends will be declared or paid in future. For details in relation to the risk involved, see “*Risk Factor No. 36 - Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows*” on page 32 of this Draft Letter of Offer.

SECTION V – FINANCIAL INFORMATION

FINANCIAL INFORMATION

S. No.	Details	Page Number
1.	Restated Financial Statements as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022.	85
2.	Accounting Ratios	126
3.	Statement of Capitalization	129

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**Independent Auditor's Examination report on the
Restated Financial Information of Enbee Trade and Finance Limited**

To,
The Board of Directors
Enbee Trade and Finance Limited

Independent Auditors' Examination Report on the Restated Financial Information prepared in connection with the Proposed rights issue of equity shares of face value of ₹ 10 each ("Equity Shares") by Enbee Trade and Finance Limited (the "Company" and such offering, the "Issue")

Dear Sirs,

1. We have examined, the attached Restated Financial Information of Enbee Trade and Finance Limited (the "**Company**" or the "Issuer"), which comprises of the Restated Statement of Assets and Liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statement of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity and the Restated Statement of Cash Flow for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the summary statement of Significant Accounting Policies, and other explanatory Information (collectively referred to as the "**Restated Financial Information**"), as approved by the Board of Directors of the Company at their meeting held on 22nd July, 2024 for the purpose of inclusion in the Draft Letter of Offer ("DLOP"), / Letter of Offer ("LOP") and the any other material in connection with the Issue to be filed with the Securities and Exchange Board of India ("SEBI"), the Stock Exchanges and the Registrar of Companies, Maharashtra at Mumbai ("**Registrar of Companies**") prepared by the Company in connection with its proposed rights issue of equity shares of face value of Rs. 10/- each, 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 ("ICDR Regulations"); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI") as amended from time to time (the "Guidance Note").
2. The Company's Management and Board of Directors are responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the offer documents to be filed with Securities and Exchange Board of India, BSE Limited and the Registrar of Companies in connection with the Issue. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in paragraph 2.2 to the Restated Financial Information. The responsibilities of the respective management and the Board of Directors of the Companies includes designing, implementing and maintaining



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

adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The respective Management and Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Financial Information taking into consideration:
- the terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 1st July 2024, in connection with the proposed Rights Issue;
 - The Guidance Note, which also requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI;
 - Concepts of test checks and materiality to obtain reasonable assurance based on the verification of evidence supporting the Restated Financial Information; and
 - 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, ICDR Regulations and the Guidance Note in connection with the Issue.
4. These Restated Financial Information have been compiled by the Company's management from:
- The audited financial statements of the Company as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 (the "Previous Years' Audited Financial Statements") prepared in accordance with the Ind AS prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meetings held on May 27, 2024, May 30, 2023 and May 30, 2022 respectively.
5. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information:
- 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, 2024, March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2024;
 - do not require any adjustment for modification as there is no modification in the underlying audit reports; and
 - have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.



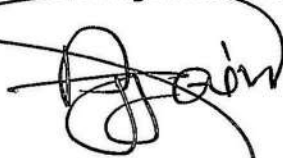
Registered with Limited Liability under The Limited Liability Partnership Act, 2008 with Registration No. AAA - 7120
Regd. Office: Office No. 40, Morarji Velji Bldg, 1st floor, 9/15, Dr. M.B. Velkar Street, Marine Lines (East), Mumbai - 400002.
Tel: +91 22 43153000 Fax: +91 22 43153015. Email: aja@ajallp.in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

6. We have not audited any financial statements of the Group as of any date or for any period subsequent to March 31, 2024. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Company as of any date or for any period subsequent to March 31, 2024.
7. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the date of the reports on the audited financial information.
8. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us or the previous auditor, nor should this report be construed as a new opinion on any of the financial statements referred to therein.
9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
10. Our report is intended solely for use of the Board of Directors for inclusion in the offer documents to be filed with Securities and Exchange Board of India, BSE Limited and Registrar of Companies, Maharashtra at Mumbai in connection with the Issue of the Company. 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 Ambavat Jain & Associate LLP

Chartered Accountants

Firm Registration No.: 109681W



Ashish J Jain

Partner

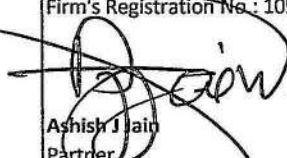




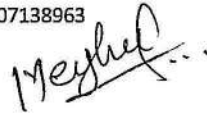
Membership No:111829

UDIN: 24111829BKCBXG1141

Place: Mumbai

Date: 22/07/2024



ENBEE TRADE AND FINANCE LIMITED				
CIN No: L50100MH1985PLC036945				
B4/C5, Gods Gift Chs Ltd, N M Joshi Marg, Lower Parel, Mumbai - 400013				
Restated Statement of Assets and Liabilities				
(Currency: INR in Lakhs)				
Particulars	Note	As at March 31,2024	As at March 31,2023	As at March 31,2022
ASSETS				
FINANCIAL ASSETS				
Cash and cash equivalents	2	1.23	3.26	4.36
Loans	3	6,124.50	3,565.06	2,194.20
Other Financial assets	4	15.51	18.88	2.00
		6,141.24	3,587.20	2200.56
NON-FINANCIAL ASSETS				
Deferred tax Assets (Net)	5	128.12	42.85	34.42
Property, Plant and Equipment	6	151.44	62.49	0.06
		279.56	105.34	34.48
TOTAL ASSETS		6,420.80	3,692.54	2235.04
LIABILITIES AND EQUITY				
A. LIABILITIES				
FINANCIAL LIABILITIES				
Borrowings (Other than Debt Securities)	7	3,131.02	2,490.00	1065.00
Other financial liabilities	8	52.06	65.37	29.33
		3,183.08	2,555.37	1094.33
NON-FINANCIAL LIABILITIES				
Current tax liabilities (Net)	10	105.43	11.24	54.85
Provisions	8A	28.27	27.75	23.06
Other Non-financial liabilities	9	66.32	58.20	37.47
		200.02	97.19	115.38
B. EQUITY				
Equity Share capital	11	1,432.39	160.01	160.01
Other Equity	12	1,605.31	879.97	865.32
		3,037.70	1,039.98	1,025.33
TOTAL LIABILITIES AND EQUITY		6,420.80	3,692.54	2,235.04
Significant accounting policies	1			
The accompanying Notes are an integral part of the restated financial statements				
As per our report of even date attached				
For Ambavat Jain & Associates LLP				
Chartered Accountants				
Firm's Registration No. : 109681W				
   				
Ashish J Jain Partner Membership No:111829 Mumbai: 22/07/2024 UDIN :24111829BKCBXG1141		For and on behalf of the Board of Directors of Enbee Trade and Finance Limited  Amarr Narendra Galla Managing Director DIN:07138963 Mumbai: 22/07/2024  Mehul Narendra Gala Chief Financial Officer Mumbai: 22/07/2024		

ENBEE TRADE AND FINANCE LIMITED
CIN No: L50100MH1985PLC036945
B4/C5, Gods Gift Chs Ltd, N M Joshi Marg, Lower Parel, Mumbai - 400013

Restated Statement of Profit and Loss

(Currency: INR in Lakhs)

Particulars	Note	Year Ended March 31, 2024	Year Ended March 31, 2023	Year Ended March 31, 2022
A. REVENUE FROM OPERATION				
Interest Income	13	1,025.30	486.72	363.71
Total Revenue from operations		1,025.30	486.72	363.71
B. OTHER INCOME				
	14	0.22	-	0.27
Total Revenue		1,025.52	486.72	363.98
EXPENSES:				
Employee Benefits Expense	15	229.00	214.67	183.37
Finance Cost	16	174.22	138.20	40.92
Impairment of Financial Instrument (Expected Credit Loss)		278.41	78.86	(56.76)
Depreciation, Amortisation, Impairment	6	74.20	6.17	4.40
Other Expenses	17	58.02	30.89	67.16
Total Expenses		813.85	468.79	239.09
Profit before Extra Ordinary Items		211.67	17.93	124.89
Extra Ordinary Items		-	-	-
Profit before Tax		211.67	17.93	124.89
Less: Tax Expense:				
Current Tax	18	108.52	14.10	28.80
(Excess)/Short Provision for earlier period		34.01	(1.50)	-
Deferred Tax	18	(86.63)	(8.67)	6.09
Less: Tax Expense:		55.90	3.93	34.89
Profit for the Year		155.77	14.00	90.00
Other comprehensive income:				
(a) Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit plan		5.38	0.98	4.22
Income tax relating to above item that will not be reclassified to profit or loss		(1.35)	(0.25)	(1.06)
(b) Items that will be reclassified to profit or loss		-	-	-
Total Comprehensive Income for the year Net of Tax		159.79	14.73	86.85
Earning per Equity Share [EPS]				
Basic	19	1.39	0.87	5.62
Diluted		1.39	0.87	5.62
Significant accounting policies	1			

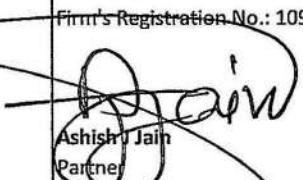
The accompanying Notes are an integral part of the restated financial statements

As per our report of even date attached

For Ambavat Jain & Associates LLP

Chartered Accountants

Firm's Registration No.: 109681W


Ashish Jain
Partner


Membership No.:111829

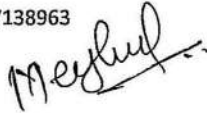
Mumbai: 22/07/2024

UDIN : 24111829BKCBXG1141



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


Amarr Narendra Galla
Managing Director DIN:07138963
Mumbai: 22/07/2024


Mehul Narendra Gala
Chief Financial Officer
Mumbai: 22/07/2024

Restated Statement of Cash Flow

(Currency: INR in Lakhs)

	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
A	Cash flow from operating activities			
	Net Profit before Taxation	211.67	17.93	124.89
	Adjustments for: Add / (Less)			
	Depreciation Expense	74.20	6.17	4.40
	Interest on Financial Instruments	0.22	40.13	0.27
	Finance Cost	2.54	2.18	40.92
	Impairment Provision per ECL	278.41	(78.86)	(58.42)
		567.04	(12.45)	112.06
	Operating Profit Before Working Capital Changes			
	Adjustments for:			
	Cash flow from borrowings & other Financial Liabilities	641.02	1,425.00	1,085.57
	(Increase)/ Decrease in Loans and Advances	(2,834.47)	(1,352.45)	(1,211.45)
	Increase/ (Decrease) in Current Liabilities	(8.75)	63.70	(2.27)
	Cash Generated from Operations	(1,635.16)	123.79	(16.36)
	Less: Direct Taxes (Net)	(40.01)	(56.29)	(17.24)
	Net Cash from Operating Activities	(1,675.17)	67.50	0.88
B	Cash Flow from investing Activities:			
	Purchase of Fixed Assets / Recognition of ROU Asset	(164.80)	(68.61)	(0.01)
	Net Cash Flow from Investing Activities (B)	(164.80)	(68.61)	(0.01)
C	Cash Flow from Financial Activities:			
	Increase in Share Capital	1,908.58	-	-
	Share Issue Exp	(70.63)	-	-
	Net Cash Flow from Financing Activities (C)	1,837.94	-	-
	Net increase in cash and cash equivalents (A+B+C)	(2.03)	(1.10)	0.87
	Opening Balance of Cash & Cash Equivalents	3.26	4.36	3.49
	Closing Balance of Cash & Cash Equivalents	1.23	3.26	4.36
	Net Inflow	(2.03)	(1.10)	0.87

Note:
 The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in the Ind AS - 7 Statement of Cash Flow.

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

Ashish J. Jain
 Partner
 Membership No: 111829
 Mumbai: 22/07/2024
 UDIN : 24111829BKCBC1141



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

Amarr
 Amarr Narendra Galla
 Managing Director DIN: 07138963
 Mumbai: 22/07/2024

Mehul
 Mehul Narendra Galla
 Chief Financial Officer
 Mumbai: 22/07/2024

Restated Statement of Changes in Equity

(Currency: INR in Lakhs)

A. Equity Share Capital

Particulars	Number	Rs.
Issued subscribed and fully paid up		
Balance as at 1st April 2020	16,00,050	160.01
Changes during the year	-	-
Balance as at 31st March 2021	16,00,050	160.01
Balance as at 1st April 2021	16,00,050	160.01
Changes during the year	-	-
Balance as at 31st March 2022	16,00,050	160.01
Balance as at 1st April 2022	16,00,050	160.01
Changes during the year	-	-
Balance as at 31st March 2023	16,00,050	160.01
Balance as at 1st April 2023	16,00,050	160.01
Changes during the year	1,27,23,889	1,272.39
Balance as at 31st March 2024	1,43,23,939	1,432.39

B. Other Equity

Particulars	Reserves & Surplus				Total Reserve
	Securities premium	Statutory Reserve	Retained Earnings	Total	
	I	II	III	I+II+III	
Balance at April 01, 2023	542.02	68.38	269.57	879.97	879.97
Restated Profit For the period	636.19		159.79	795.98	795.98
Share Issue expenese			(70.63)	(70.63)	(70.63)
Total Comprehensive Income	1,178.21	68.38	358.72	1,605.24	1,605.24
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934		31.96	(31.96)	-	-
Balance at March 31, 2024	1,178.21	100.34	326.77	1,605.24	1,605.24
Balance as at April 01, 2022	542.02	63.38	259.92	865.32	865.32
Restated Profit For the year	-	-	14.72	14.72	14.72
Total Comprehensive Income	542.02	63.38	274.57	879.97	879.97
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	5.00	(5.00)	-	-
Balance at March 31, 2023	542.02	68.38	269.57	879.97	879.97
Balance as at April 01, 2021	542.02	46.01	190.44	778.47	778.47
Restatd Profit For the year	-	-	86.85	86.85	86.85
Total Comprehensive Income	542.02	46.01	277.29	865.32	865.32
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	17.37	(17.37)	-	-
Balance at March 31, 2022	542.02	63.38	259.92	865.32	865.32

Note:- As per Section 45-IC of Reserve Bank of India Act, 1934 every non-banking financial company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of profit and before any dividend is declared. No appropriation of any sum from the reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by the Reserve Bank of India from time to time and every such appropriation shall be reported to the Reserve Bank of India within twenty-one days from the date of such withdrawal. The said amount has been transferred at the end of the Financial Year.

As per our report of even date attached
 For Ambavat Jain & Associates LLP
 Chartered Accountants

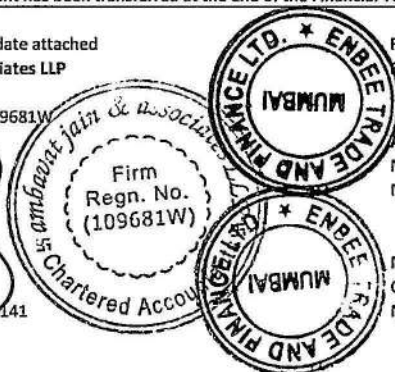
Firm's Registration No.: 109681W

Ashish Jain
 Partner

Membership No:111829

Mumbai: 22/07/2024

UDIN : 24111829BKCBXG2141



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

Amarr Narendra Galla
 Managing Director
 Mumbai:22/07/2024

Mehul Narendra Gala
 Chief Financial Officer
 Mumbai: 22/07/2024

ENBEE TRADE AND FINANCE LIMITED
Notes to Restated Financial Statement

Note No	Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
2	<u>Cash & Cash Equivalent</u>			
	Cash on hand	0.82	0.85	0.50
	Balances with banks: In Current Account	0.41	2.41	3.86
		1.23	3.26	4.36
3	<u>Loans</u>			
	Term Loans(Unsecured)(at amortised cost)	6,236.55	3,549.50	2,174.25
	Accrued Interest	330.49	179.70	105.23
	Gross Loans	6,567.04	3,729.20	2,279.48
	Less: Provision for Expected Credit Loss	442.54	164.14	85.28
	Stage 1	417.16	49.18	39.42
	Stage 2	25.38	-	45.86
	Stage 3	-	114.96	-
	Net Loans	6,124.50	3,565.06	2,194.20
3.a	Unsecured loan (Gross)	6,567.04	3,729.20	2,279.48
	Less : Impairment loss Allowance	442.54	164.14	85.28
	Stage 1	417.16	49.18	39.42
	Stage 2	25.38	-	45.86
	Stage 3	-	114.96	-
	Net Total	6,124.50	3,565.06	2,194.20
3.b	Loans in India			
	Public Sector	-	-	-
	Others (Individuals)	6,567.04	3,729.20	2,279.48
	Total Gross	6,567.04	3,729.20	2,279.48
	Less : Impairment loss Allowance	442.54	164.14	85.28
	Stage 1	417.16	49.18	39.42
	Stage 2	25.38	-	45.86
	Stage 3	-	114.96	-
	Total (net)	6,124.50	3,565.06	2,194.20
	Loans Outside India	-	-	-
	Total (net)	6,124.50	3,565.06	2,194.20
	During the current and prior reporting periods, there was no change in the business model under which the company holds financial assets, therefore, no reclassifications made. Loans Given to related parties as on March 31, 2024 is Rs. NIL (as on March 31, 2023 is Rs.NIL)			
	The Company has not granted any loans or advances to promoters, directors, KMPs and the related parties that are repayable on demand or without specifying any terms or period of repayment.			
4	<u>Other Financial assets</u>			
	Security deposits - unsecured; considered good	15.51	18.88	2.00
		15.51	18.88	2.00
5	<u>Deferred Tax Asset (Net)</u>			
	Temporary Differences Attributable to:			
	Property,Plant and Equipments, ROU and Lease Liability	9.14	4.02	0.10
	Expected Credit Loss on Loan Assets	111.38		
	Others	7.60	38.83	34.32
	Deferred Tax Asset / (Liability) - Net	128.12	42.85	34.42



Amber



Mehul

ENBEE TRADE AND FINANCE LIMITED
Notes to Restated Financial Statement

6 Property, Plant & Equipment and ROU Assets

The changes in the carrying value of property, plant and equipment & intangible assets for the year ended March 31, 2024 are as follows:

(Currency: INR in Lakhs)

Particulars	Gross Carrying Amount				Accumulated Depreciation and amortization				Net Carrying Amount	
	As on 01.04.23	Additions	Deductions	As on 31.03.24	Upto 01.04.23	Addition	Deductions	Upto 31.03.24	As on 31.03.24	As on 31.03.23
Tangible Assets										
Computer	1.16			1.16	1.10	0.06		1.16	-	0.06
Vehicle	54.66	164.80		219.46	1.52	69.49		71.01	146.80	53.14
A. Net Carrying Amount	55.82	164.80	-	220.62	2.62	69.55		72.17	146.80	53.14
ROU Assets										
Premises on Operating Lease	27.29	-	-	27.29	18.00	4.65		22.65	4.64	9.29
B. Net Carrying Amount	27.29	-	-	27.29	18.00	4.65		22.65	4.64	9.29
	83.11	164.80	-	247.91	20.62	74.20	-	94.82	151.44	62.43

The changes in the carrying value of property, plant and equipment & intangible assets for the year ended March 31, 2023 are as follows:

(Currency: INR in Lakhs)

Particulars	Gross Carrying Amount				Accumulated Depreciation and amortization				Net Carrying Amount	
	As on 01.04.22	Additions	Deductions	As on 31.03.23	Upto 01.04.22	Addition	Deductions	Upto 31.03.23	As on 31.03.23	As on 31.03.22
Tangible Assets										
Computer	1.16			1.16	1.10	-	-	1.10	0.06	0.06
Vehicle	-	54.66	-	54.66	-	1.52	-	1.52	53.14	-
A. Net Carrying Amount	1.16	54.66	-	55.82	1.10	1.52	-	2.62	53.20	0.06
ROU Assets										
Premises on Operating Lease	13.35	13.94	-	27.29	13.35	4.65	-	18.00	9.29	-
B. Net Carrying Amount	13.35	13.94	-	27.29	13.35	4.65	-	18.00	9.29	-
	14.51	68.60	-	83.11	14.45	6.17	-	20.62	62.49	0.06

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

Particulars	Gross Carrying Amount				Accumulated Depreciation and amortization				Net Carrying Amount	
	As on 01.04.21	Additions	Deductions	As on 31.03.22	Upto 01.04.21	Addition	Deductions	Upto 31.03.22	As on 31.03.22	As on 31.03.21
Tangible Assets										
Computer	1.16			1.16	1.09	0.01	-	1.10	0.06	0.07
A. Net Carrying Amount	1.16	-	-	1.16	1.09	0.01	-	1.10	0.06	0.07
ROU Assets										
Premises on Operating Lease	13.35			13.35	8.96	4.39		13.35	(0.00)	4.39
B. Net Carrying Amount	13.35	-	-	13.35	8.96	4.39	-	13.35	(0.00)	4.39
	14.51	-	-	14.51	10.05	4.40	-	14.45	0.06	4.46

Notes:

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



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		As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
7	Borrowings (other than debt securities) - at amortised cost			
	Unsecured			
	from related parties	2,971.85	2,470.00	1,065.00
	from others	-	20.00	-
	Total	2,971.85	2,490.00	1,065.00
	Secured			
	from related parties	-	-	1,065.00
	from others	159.17	-	-
	Total	159.17	2,490.00	1,065.00
	Borrowings in India	3,131.02	2,490.00	1,065.00
	Borrowings outside India	-	-	-
	Total	3,131.02	2,490.00	1,065.00
	Terms and Conditions of loans :			
	UNSECURED- tenure 60 months and renewable on mutual consent			
	SECURED- Loan of HDFC Bank is secured against vehicle having tenure of 48 months			
	Loan from mercedes Benz Fiancial services pvt ltd is secured against vehicle having tenure of 60 Months			
	Rate of interest :			
	UNSECURED- 9%			
	SECURED- HDFC- 8.4% AND Mercedes Benz Fiancial services pvt ltd- 9.87%			
8	Other financial liabilities			
	Interest accrued and due	16.70	22.13	2.84
	Liability for expense	31.12	34.34	26.49
	Lease Liability	4.24	8.90	-
	Total	52.06	65.37	29.33
	Operating leases:			
	In accordance with the Ind AS 116 on "Leases", the following disclosures in respect of operating leases are made:			
	The Company has acquired its office premises on operating lease basis for periods ranging from 1 year to 5 years.			
	The Company has recognised lease liabilities and right to use assets as follows:			
	Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	I. Lease liabilities			
	Opening balance	-	(0.03)	3.54
	Add: Lease liabilities recognised during the year	-	13.94	-
	Less: Lease liabilities written off during the year	-	0.00	-
	Add: Interest accrued on lease liabilities	2.54	2.19	3.63
	Less: Lease payments	(6.78)	(7.20)	(7.17)
	Closing balance of lease liabilities	(4.24)	8.90	-
	II. Right of use assets (RoU assets)			
	Opening balance	9.29	-	4.39
	Add: RoU assets recognised during the year	-	13.94	-
	Less: RoU assets written off during the year	-	-	-
	Less: Depreciation on RoU assets	(4.65)	(4.65)	(4.39)
	Closing balance of RoU assets	4.64	9.29	-
	Amount recognised in restated statement of profit or loss			
	Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	Interest on lease liabilities charged to finance cost	2.54	2.18	3.63
	Depreciation charge for the period on RoU assets	4.65	4.65	4.39
	Expense relating to short-term leases	-	-	-
	Total	7.19	6.83	8.02
9	Current Tax Liabilities (Net)			
	Provision for income tax (Net of advance tax)	105.43	11.24	54.85
	Total	105.43	11.24	54.85
10	Provisions			
	Provision for Expenses (including employee benefits)	28.27	27.75	23.06
	Total	28.27	27.75	23.06
11	Other Non-Financial Liabilities			
	Statutory dues	66.32	58.20	37.47
	Total	66.32	58.20	37.47

ENBEE TRADE AND FINANCE LIMITED
Notes to Restated Financial Statement

12 SHARE CAPITAL

Particulars	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Number	Rs. In Lakhs	Number	Rs. In Lakhs	Number	Rs. In Lakhs
Authorised Capital 34,00,000 Equity Shares of Rs. 10 each (Previous year 20,00,000 Shares of Rs. 10 each)	3,40,00,000.00	3,400.00	20,00,000.00	200.00	20,00,000.00	200.00
	3,40,00,000.00	3,400.00	20,00,000.00	200.00	20,00,000.00	200.00
Issued, Subscribed and Paid up Capital 1,43,23,939 Equity Shares of Rs. 10 each (Previous Year 16,00,050 Shares of Rs.10 each, fully paid up)	1,43,23,939.00	1,432.39	16,00,050.00	160.01	16,00,050.00	160.01
	1,43,23,939.00	1,432.39	16,00,050.00	160.01	16,00,050.00	160.01

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

Particulars	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Number	Rs. In Lakhs	Number	Rs. In Lakhs	Number	Rs. In Lakhs
Equity shares						
At the beginning of year	16,00,050	160.01	16,00,050	160.01	16,00,050	160.01
Shares Issued during the year	1,27,23,889	1,272.39	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
At the end of the year	1,43,23,939	1,432.39	16,00,050	160.01	16,00,050	160.01

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

Particulars	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	No. of Shares held	% shareholding	No. of Shares held	% shareholding	No. of Shares held	% shareholding
Equity shares held by						
Mr. Amar Narendra Gala	35,18,486	24.56%	2,85,166	17.82%	2,85,166	17.82%

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

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

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

12.5 Details of shareholding of promoters are given below:

As at 31 March 2024

Shares held by promoters at the end of the year	No. of shares	% of total shares	% Change during the year
Promoter name			
BHARAT THAKARSHI NAMANIA	-	0.00	17.82
BHARAT THAKARSHI MANIA HUF	-	0.00	3.12
REKHA BHARAT MAMANIA	-	0.00	0.31
BHARATHI NARENDRA GALA	1,03,441.00	0.72	0.84
NEEL BHARAT MAMANIA	-	0.00	0.62
SSAMTA AMAR GAALA	13,93,012.00	9.73	(9.41)
AMARR NARENDRA GALLA	35,18,486.00	24.56	(24.25)
NARENDRA BHAVANJI GALA	10,000.00	0.07	0.24
AMAR NARENDRA GALA HUF	1,23,850.00	0.86	(0.55)
NARENDRA BHAVANJI GALA HUF	-	0.00	0.31
NEHA MEHUL GALA	-	0.00	0.31
MEHUL NARENDRA GALA	70,000.00	0.49	0.14
MEHUL NARENDRA GALA HUF	-	0.00	1.25
Total	52,18,789.00	36.43	(9.24)

As at 31 March 2023

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



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As at 31 March 2022			
Shares held by promoters at the end of the year	No. of shares	% of total shares	% Change during the year
Promoter name			
AMAR NARENDRA GALA	285166.00	17.82	-
SAMTA AMAR GALA	50000.00	3.12	-
NEHA MEHUL GALA	5000.00	0.31	-
BHARAT THAKARSHI MAMANIA	25000.00	1.56	-
NARENDRA BHAVANJI GALA	10000.00	0.62	-
MEHUL NARENDRA GALA	5000.00	0.31	-
MEHUL NARENDRA GALA HUF	5000.00	0.31	-
NEEL BHARAT MAMANIA	5000.00	0.31	-
AMAR NARENDRA GALA HUF	5000.00	0.31	-
REKHA BHARAT MAMANIA	5000.00	0.31	-
BHARAT THAKARSHI MAMANIA HUF	5000.00	0.31	-
NARENDRA BHAVANJI GALA HUF	10000.00	0.62	-
BHARATHI NARENDRA GALA	20000.00	1.25	-
Total	4,35,166.00	27.20	-

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

In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

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

13 Other equity

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(a) Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934	100.34	68.38	63.38
(b) Securities Premium Account	1,178.21	542.02	542.02
(c) Retained Earnings	326.77	269.57	259.92
Total	1,605.31	879.97	865.32

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

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

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



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ENBEE TRADE AND FINANCE LIMITED				
Notes to Restated Financial Statement				
(Currency: INR in Lakhs)				
Note No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
14	Interest Income on Financial Assets measured at Amortised cost			
	Interest Income on Loans	1,025.30	486.72	363.71
		1,025.30	486.72	363.71
15	Other Income			
	Finance Income	0.22	-	0.27
		0.22	-	0.27
16	Employee Benefit Expenses			
	Salaries and wages	229.00	214.67	183.37
		229.00	214.67	183.37
17	Finance Costs			
	On Financial liabilities measured at amortised cost			
	Interest on Borrowing (other than debt securities)	171.68	136.02	37.29
	Finance Cost on Leases	2.54	2.18	3.63
		174.22	138.20	40.92
18	Other Expenses			
	Auditors Remuneration			
	- For Audit	3.60	3.60	3.60
	- Other Services	6.55	-	8.81
	Electricity Expenses	1.17	0.88	0.58
	Advertisement	-	-	-
	Business consultancy fees			
	Legal & Professional Fees	12.26	6.29	8.18
	Rent Paid	-	-	-
	Rent- Ind AS - Lease Deposit	-	-	-
	Printing & Stationery	-	-	-
	Rates & Taxes and License Fees	5.09	7.00	7.45
	Renewal Fees	-	-	-
	ROC Expenses	25.96	3.50	27.86
Penalties	-	8.62	10.16	
Other Miscellaneous Expenditure	3.40	1.00	0.52	
		58.02	30.89	67.16
19	Schedule of Taxes			
	Current Tax	108.52	14.10	28.80
	Deferred tax	(86.63)	(8.67)	6.09
	Tax of Earlier year	34.01	(1.50)	-
		55.90	3.93	34.89



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ENBEE TRADE AND FINANCE LIMITED
Notes to Restated Financial Statement

20 Earnings per share (EPS)

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

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

PARTICULAR	Units	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Restated Profit after tax	₹ in lakhs	155.77	14.00	90.00
Less: Dividend on preference shares and attributable tax thereon	₹ in lakhs	-	-	-
Restated Profit after tax for basic EPS	₹ in lakhs	155.77	14.00	90.00
Weighted average number of equity shares for calculating basic earnings per share	Numbers	11240125.39	16,00,050.00	16,00,050.00
Face value of equity shares	₹	10.00	10.00	10.00
Basic earnings per share	₹	1.39	0.87	5.62
Restated Profit after tax for diluted EPS	₹ in lakhs	155.77	14.00	90.00
Weighted average number of equity shares for calculating diluted	Numbers	11240125.4	16,00,050	16,00,050
Face value of equity shares	₹	10	10	10
Diluted earnings per share	₹	1.39	0.87	5.62



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ENBEE TRADE AND FINANCE LIMITED
Notes to Restated Financial Statement

21 Maturity analysis of assets and liabilities (Currency: INR in Lakhs)			
	As at March 31, 2024		Total
	Within 12 Months	After 12 Months	
Assets			
Cash and cash equivalents	1.23	-	1.23
Loans	6124.5	-	6,124.50
Other Financial assets	-	15.51	15.51
Property, Plant and Equipment	-	151.44	151.44
Deferred tax Assets (Net)	-	128.12	128.12
Total Assets	6,125.73	295.07	6,420.80
Liabilities			
Borrowings (Other than Debt Securities)		3,131.02	3,131.02
Other financial liabilities	52.06		52.06
Other Non-financial liabilities	66.32		66.32
Provisions	28.27		28.27
Current tax liabilities (Net)	105.43		105.43
Total Liabilities	252.08	3,131.02	3,383.10
	5,873.65	-2,835.95	3,037.70
	As at March 31, 2023		Total
	Within 12 Months	After 12 Months	
Assets			
Cash and cash equivalents	3.26	-	3.26
Loans	3565.06	-	3,565.06
Other Financial assets	-	18.88	18.88
Deferred tax Assets (Net)	-	42.85	42.85
Property, Plant and Equipment	-	62.49	62.49
Total Assets	3,568.32	124.22	3,692.54
Liabilities			
Borrowings (Other than Debt Securities)		2,490.00	2,490.00
Other financial liabilities	22.13	8.90	31.03
Other Non-financial liabilities	58.20		58.20
Current tax liabilities (Net)	11.24		11.24
Provisions		27.75	27.75
Total Liabilities	91.57	2,526.65	2,618.22
	3,476.75	-2,402.42	1,074.33
	As at March 31, 2022		Total
	Within 12 Months	After 12 Months	
Assets			
Cash and cash equivalents	4.36		4.36
Loans	2194.20		2,194.20
Other Financial assets		2.00	2.00
Deferred tax Assets (Net)		34.42	34.42
Property, Plant and Equipment		0.06	0.06
Total Assets	2,198.56	36.48	2,235.04
Liabilities			
Borrowings (Other than Debt Securities)		1,065.00	1,065.00
Other financial liabilities	2.84		2.84
Other Non-financial liabilities	37.47		37.47
Current tax liabilities (Net)	54.85		54.85
Provisions	23.06		23.06
Total Liabilities	118.22	1,065.00	1,183.22
	2,080.34	-1,028.52	1,051.82

ENBEE TRADE AND FINANCE LIMITED
Notes to Restated Financial Statement

(Currency: INR in Lakhs)

22 Financial Instruments

A) Accounting classification and fair values

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

Carried at Amortised Cost

Financial Assets	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Loans	6,124.50	3,565.06	2,194.20
Other Financial assets	15.51	18.88	2.00
Cash and cash equivalents	1.23	3.26	4.36
	6,141.24	3,587.20	2,200.56
Financial liabilities			
Borrowings	3,131.02	2,490.00	1,065.00
Other financial liabilities	20.94	31.03	2.84
	3,151.96	2,521.03	1,067.84

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



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ENBEE TRADE AND FINANCE LIMITED
Notes to Restated Financial Statement

(Currency: INR in Lakhs)

22 Financial Instruments (continued)

B) Financial risk management

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

i. Risk management framework

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

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

ii. Credit risk

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

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

a. Receivables:

The receivables from customers is NIL at present.

b. Loans

Composition

Particulars	Carrying amount		
	March 31, 2024	March 31, 2023	March 31, 2022
Loans to Related parties	-	-	-
Other Loans and Advances	6,124.50	3,565.06	2,194.20
Total	6,124.50	3,565.06	2,194.20

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

Key components of credit risk assessment

The key components of credit risk assessment are:

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



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Definition and assessment of default

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

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

When assessing if the borrower is unlikely to pay its credit obligation, the Company takes into account both qualitative and quantitative indicators. Quantitative indicator such as overdue status is key inputs in this analysis.

Quantitative indicators such as overdue status and non-payment on another obligation to the Company of the same counterparty are key inputs in this analysis.

Delinquency buckets have been considered as the primary basis for the staging of all loans with:

- 0-30 days past due loans classified as Stage 1
- 31-90 days past due loans classified as Stage 2 and
- Above 90 days past due loans classified as Stage 3

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

Grading**March 31, 2024**

Grade	Rating	Weighted-average loss rate	Gross Carrying amount	Impairment loss allowance
Low to Medium Risk	Unrated	6.62%	6,300.06	417.16
Significant increase in credit risk	Unrated	9.51%	266.98	25.38
Credit Impaired	Unrated	100.00%	0.00	0.00
Total			6,567.04	442.54

Grading**March 31, 2023**

Grade	Rating	Weighted-average loss rate	Gross Carrying amount	Impairment loss allowance
Low to Medium Risk	Unrated	1.36%	3,614.24	49.18
Significant increase in credit risk	Unrated	-	-	-
Credit Impaired	Unrated	100.00%	114.96	114.96
Total			3,729.20	164.14

March 31, 2022

Grade	Rating	Weighted-average loss rate	Gross Carrying amount	Impairment loss allowance
Low to Medium Risk	Unrated	2.00%	1,966.83	39.42
Significant increase in credit risk	Unrated	14.67%	312.60	45.86
Credit Impaired	Unrated	-	-	-
Total			2,279.43	85.28

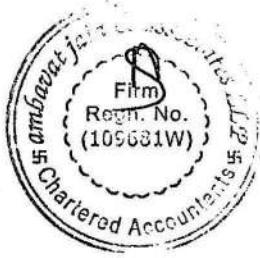
c. Cash and cash equivalents and other bank balances

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



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Notes to Restated Financial Statement	
(Currency: INR in Lakhs)	
23 Capital management	<p>The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.</p> <p>The Company has raised money by way of issuing Equity capital. This instrument, being Equity Capital do not require repayments.</p> <p>The company conducts its business from own funds and do not depend on outside borrowed funds.</p>



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ENBEE TRADE AND FINANCE LIMITED
Notes to Restated Financial Statement:

(Currency: INR in Lakhs)

24 Tax Reconciliation

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

Tax expense

a) Amounts recognised in restated profit or loss

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Current Income Tax	108.52	14.10	28.8	20.00

(b) Reconciliation of effective tax rate

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Restated Profit before tax	211.67	17.93	130.49	9.46
Applicable tax Rate	25.17%	27.82%	27.82%	27.80%
Tax using the Company's tax rate	53.28	4.99	36.30	2.63
Tax effect of:				
Effect of expenses/provisions not deductible in determining taxable profit	0.59	0.44	(1.41)	(3.33)
Previous year tax expense	34.01	(1.50)	-	-
Effect of tax rate change on carried forward deferred tax	(5.72)	-	-	-
Allowances for which deferred tax not created in earlier years	(26.26)	-	-	-
Income tax expense recognised in restated profit and loss	55.90	3.93	34.89	(0.70)



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ENBEE TRADE AND FINANCE LIMITED
Notes to Restated Financial Statement

(Currency: INR in Lakhs)

25 Related party disclosures

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

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

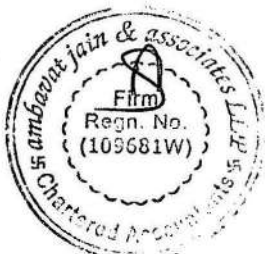
Details of related parties

Name of the related party	Relationship
JAYESH GULABBHAI PATEL	Director
AMARR NARENDRA GALLA	Director
SSAMTA AMAR GAALA	Director
AKASH SHAILESH GANGAR	Director
MEHUL NARENDRA GALA	Key Management Personnel
RUCHIKA KABRA	Key Management Personnel
BHARAT MAMANIA	Relative of Director
NEEL MAMANIA	Relative of Director
NEHA GALA	Relative of Director
REKHA MAMANIA	Relative of Director
BHAARTHI GALA	Relative of Director
AMAR NARENDRA GALA HUF	HUF of Director
NARENDRA GALA HUF	HUF of Director
MEHUL GALA HUF	HUF of Key Management Personnel



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a) The nature and volume of transactions of the Company with the above related parties were as follows:			
Nature of transactions	Year Ended March 31,2024	Year Ended March 31,2023	Year Ended March 31, 2022
Director's Remuneration			
AMARR NARENDRA GALLA	62.67	60.00	46.50
SSAMTA AMAR GAALA	26.12	24.00	21.90
Remuneration to Key Management Personnel			
MEHUL NARENDRA GALA	44.46	42.00	34.00
RUCHIKA KABRA	4.08	2.33	
ISHA GORAKSHA	0.00	-	3.51
Loan taken during the year			
AMARR NARENDRA GALLA	310.00	100.00	1,065.00
SSAMTA AMAR GAALA	695.28	675.00	-
MEHUL NARENDRA GALA	313.85	150.00	-
BHARAT MAMANIA	-	25.00	-
NEEL MAMANIA	64.93	75.00	-
NEHA GALA	133.85	150.00	-
REKHA MAMANIA	64.93	75.00	-
BHAARTHI GALA	604.02	350.00	-
AMAR NARENDRA GALA HUF	0.33	20.00	-
NARENDRA GALA HUF	-	30.00	-
MEHUL GALA HUF	25.33	20.00	-
Loan repaid during the year			
AMARR NARENDRA GALLA	0.00	265.00	-
MEHUL GALA HUF	2.50	-	-
MEHUL NARENDRA GALA	62.50	-	-
NEEL MAMANIA	28.00	-	-
NEHA GALA	62.50	-	-
REKHA MAMANIA	28.00	-	-
Loan Converted into Equity during the year			
AMARR NARENDRA GALLA	485.00	-	-
SSAMTA AMAR GAALA	446.93	-	-
MEHUL NARENDRA GALA	91.35	-	-
BHARAT MAMANIA	25.00	-	-
NEEL MAMANIA	48.93	-	-
NEHA GALA	91.35	-	-
REKHA MAMANIA	48.93	-	-
BHAARTHI GALA	224.02	-	-
AMAR NARENDRA GALA HUF	17.83	-	-
NARENDRA GALA HUF	30.00	-	-
MEHUL GALA HUF	17.83	-	-
Interest Paid During the year			
AMARR NARENDRA GALLA	53.70	96.25	37.29
SSAMTA AMAR GAALA	44.92	16.85	-
MEHUL NARENDRA GALA	12.14	4.85	-
BHARAT MAMANIA	0.52	0.89	-
NEEL MAMANIA	3.46	2.14	-
NEHA GALA	9.04	3.90	-
REKHA MAMANIA	3.46	1.84	-
BHAARTHI GALA	28.76	7.79	-
AMAR NARENDRA GALA HUF	0.59	0.34	-
NARENDRA GALA HUF	0.62	0.50	-
MEHUL GALA HUF	0.99	0.34	-
Rent paid			
AMARR NARENDRA GALLA	7.20	7.20	7.20



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b) Balance outstanding at the end of the year			
Nature of transactions	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Loan from Related party			
AMARR NARENDRA GALLA	725.00	900.00	10.65
SSAMTA AMAR GAALA	923.35	675.00	-
MEHUL NARENDRA GALA	310.00	150.00	-
BHARAT MAMANIA	-	25.00	-
NEEL MAMANIA	63.00	75.00	-
NEHA GALA	130.00	150.00	-
REKHA MAMANIA	63.00	75.00	-
BHAARTHI GALA	730.00	350.00	-
AMAR NARENDRA GALA HUF	2.50	20.00	-
NARENDRA GALA HUF	-	30.00	-
MEHUL GALA HUF	25.00	20.00	-
Rent payable			
AMARR NARENDRA GALLA	0	0.54	-
Remuneration Payable			
AMARR NARENDRA GALLA	5.51	-	3.75
SSAMTA AMAR GAALA	-	0.80	1.80
MEHUL NARENDRA GALA	1.33	1.62	4.00
RUCHIKA KABRA	0.30	0.28	-
ISHA GORAKSHA	-	-	-
Interest Payable			
AMARR NARENDRA GALLA	1.24	7.79	2.84
SSAMTA AMAR GAALA	6.35	5.84	-
MEHUL NARENDRA GALA	2.13	1.30	-
BHARAT MAMANIA	0.00	0.80	-
NEEL MAMANIA	0.43	0.65	-
NEHA GALA	0.89	1.30	-
REKHA MAMANIA	0.43	0.65	-
BHAARTHI GALA	5.02	3.03	-
AMAR NARENDRA GALA HUF	0.02	0.17	-
NARENDRA GALA HUF	0.00	0.26	-
MEHUL GALA HUF	0.17	0.17	-
Notes: 1. There were no guarantee given or security provided during the year to the related parties. 2. All aforesaid transactions are in ordinary course of business and at arm's length basis.			



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ENBEE TRADE AND FINANCE LIMITED
Notes to Restated Financial Statement

(Currency: INR in Lakhs)

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

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

A) Asset Classification

Particulars	Gross Carrying Amt
(i) Standard assets	3614.24
(ii) Sub-standard assets	114.96
(iii) Doubtful assets	0
(iv) Loss assets	0

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

<u>Liabilities side :</u>	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
1) Loans and advances availed by the non banking financial company inclusive of interest accrued thereon but not paid:	-	-	-
<u>Asset side :</u>			
2) Break-up of loans and advances including bills receivables [other than those included in (4) below] :			
a) Secured			
b) Unsecured	6,124.50	3,565.06	2,194.20
3) Break up of leased assets and stock on hire and other assets counting towards Asset Financing activities	-	-	-
4) Break-up of Investments	-	-	-



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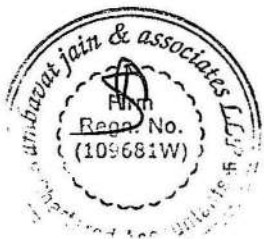
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5) Borrower group-wise classification of assets financed as in (2) and (3) above: Please see Note 1 below

Category	As at 31 March 2024			As at 31 March 2023		
	Amount net of Provision			Amount net of Provision		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
a) Subsidiaries	-	-	-	-	-	-
b) Companies in the same Group	-	-	-	-	-	-
c) Other Related Parties	-	-	-	-	-	-
2. Other than Related Parties	-	6,124.50	6,124.50	-	3,565.06	3,565.06

Category	As at 31 March 2022		
	Amount net of Provision		
	Secured	Unsecured	Total
1. Related Parties			
a) Subsidiaries	-	-	-
b) Companies in the same Group	-	-	-
c) Other Related Parties	-	-	-
2. Other than Related Parties	-	2,194.17	2,194.17

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



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7) Other information			
Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
	Amount	Amount	Amount
i) Gross non performing assets (NPAs)*			
a) Related parties			
b) Other than related parties	-	114.96	0
ii) Net non performing assets (NPAs)*			
a) Related parties			
b) Other than related parties	-	114.956	0
iii) Assets acquired in satisfaction of debt			

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

Notes:

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

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



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ENBEE TRADE AND FINANCE LIMITED
Notes to Restated Financial Statement

(Currency: INR in Lakhs)

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

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

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

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Opening Balance	164.14	85.28	142.04
Net Additions/ (Reductions) during the year	278.41	78.86	(56.76)
Closing Balance	442.55	164.14	85.28

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



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ENBEE TRADE AND FINANCE LIMITED
Notes to Restated Financial Statement

(Currency: INR in Lakhs)

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

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

As at
31 March 2024

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	6,567.04	442.54	6,124.50	16.42	426.12
	Stage 2					
Subtotal		6,567.04	442.54	6,124.50	16.42	426.12
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income						
	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total						
	Stage 1	6,567.04	442.54	6,124.50	16.42	426.12
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	6,567.04	442.54	6,124.50	16.42	426.12



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As at 31 March 2023						
Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,614.24	49.18	3,565.06	9.04	40.15
	Stage 2	-	-	-	-	-
Subtotal		3,614.24	49.18	3,565.06	9.04	40.15
Non-Performing Assets (NPA)						
Substandard	Stage 3	114.96	114.96	-	22.99	91.96
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		114.96	114.96	-	22.99	91.96
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income	Stage 1					
	Stage 2					
	Stage 3					
Subtotal		-	-	-	-	-
Total	Stage 1	3,614.24	49.18	3,565.06	9.04	40.15
	Stage 2	-	-	-	-	-
	Stage 3	114.96	114.96	-	22.99	91.96
	Total	3,729.20	164.14	3,565.06	32.03	132.11
As at 31 March 2022						
Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	1,966.83	39.42	1,927.51	4.92	34.50
	Stage 2	312.60	45.86	266.75	0.78	45.07
Subtotal		2,279.43	85.28	2,194.27	5.70	79.58
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	1,966.83	39.42	1,927.51	4.92	34.50
	Stage 2	312.60	45.86	266.75	0.78	45.07
	Stage 3	-	-	-	-	-
	Total	2,279.43	85.28	2,194.17	5.69	79.57



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ENBEE TRADE AND FINANCE LIMITED
Notes to the financial statements (continued)

as at 31 March 2024
(Currency: INR In Lakhs)

29 Disclosures pursuant to Reserve Bank of India Guidelines, to the extent applicable to the Company

The Company has prepared financial statements for the year ended 31 March 2024, in accordance with Ind AS. Accordingly, the relevant disclosures are based on the carrying values as reflected in the financial statements prepared as per requirements of Ind AS.

29.5 Exposures

29.5.1 Exposure to real estate sector

The Company does not have any direct / indirect exposure to real estate as the primary purpose of the loan is for education.

29.5.2 The Company does not have any capital market exposure.

29.5.4 The Company has not exceeded single borrower limit ("SGL") and nor has exceeded the group borrower limit ("GBL").

29.5.5 The Company has not given any loans against intangible securities.

29.6 The Company is not registered under any other regulator other than Reserve Bank of India and Securities and Exchange Board of India

29.7 During financial year under audit, no penalty has been levied by any regulator.

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

29.9 Remuneration of Directors

Details of remuneration given to non-executive directors are disclosed below:

Name	Designation	Remuneration for FY 2023-24	Remuneration for FY 2022-23	Remuneration for FY 2021-22
Jayesh Gulabbhai Patel	Non-executive directors	-	-	-
Akash Sailesh Gangar	Non-executive directors	-	-	-
Total		-	-	-

29.10 Provisions and contingencies

Break up of 'provisions and contingencies' shown under the head expenses in statement of profit and loss

	FY (2023-24)	FY (2022-23)	FY (2021-22)
Provisions for depreciation on investment	-	-	-
Provision towards NPAs*	(114.96)	114.96	(117.06)
Provision for Standard Assets#	393.36	(36.09)	60.30
Provision made towards tax expenses	105.43	11.24	54.85
Other provision and contingencies (with details)			
Provision for employee benefits	28.27	27.75	23.06

* Represents reduction in impairment loss allowance on stage 3 loans.

Represents impairment loss allowance on stage 1 and stage 2 loans.

29.11 The Company has not made any drawdown from existing reserves.

29.12 Concentration of advances, exposures and NPAs*:

29.12.1 The Company is a non deposit accepting NBFC and hence does not have any depositors.



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ENBEE TRADE AND FINANCE LIMITED
Notes to the financial statements (continued)

as at 31 March 2024
(Currency: INR in Lakhs)

		FY (2023-24)	FY (2022-23)	FY (2021-22)
29.12.2	Concentration of advances			
	Total advances to twenty largest borrowers.	27,33,30,000	18,23,00,000	13,45,75,000
	Percentage of advances to twenty largest borrowers to total advances of the NBFC.	44%	51%	62%
29.12.3	Concentration of exposures [on limit basis or outstanding basis whichever is higher]			
	Total exposure to twenty largest borrowers / customers	273330000	182300000	134575000
	Percentage of exposures to twenty largest borrowers/ customers to Total exposure of the NBFC on borrowers / customers	44%	51%	62%
29.12.4	Concentration of NPAs*			
	Total exposure to top four NPA accounts	NA	234.68	NA
	* NPAs presented above reflects credit impaired assets as per Ind AS which includes restructured assets classified as Stage 3.			
	29 Disclosures pursuant to Reserve Bank of India Guidelines, to the extent applicable to the Company (continued)			
29.12.5	Movement of NPAs*			
Sr. No.	Particulars	FY (2023-24)	FY (2022-23)	FY (2021-22)
(i)	Net NPAs to net advances			
(ii)	Movement of NPAs (Gross)			
	(a) Opening balance	234.68	0.00	300.16
	(b) Additions during the year	-	234.68	0.00
	(c) Reductions during the year	234.68	0.00	300.16
	(d) Closing balance	-	234.68	0.00
(iii)	Movement of Net NPAs			
	(a) Opening balance	119.72	-	183.09
	(b) Additions during the year	-	119.72	-
	(c) Reductions during the year	(119.72)	-	(183.09)
	(d) Closing balance	-	119.72	-
(iv)	Movement of provisions for NPAs*			
	(a) Opening balance	114.96	-	117.06
	(b) Provisions made during the year	-	114.96	-
	(c) Write-off / write-back of excess provisions	(114.96)	-	(117.06)
	(d) Closing balance	-	114.96	-
	* NPAs presented above reflects credit impaired assets as per Ind AS which includes restructured assets classified as			



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ENBEE TRADE AND FINANCE LIMITED
Notes to the financial statements (continued)

as at 31 March 2024
(Currency: INR in Lakhs)

29.12.6 Sectoral exposure disclosure as per Scale Based Regulations									
Sectors	FY (2023-24)			FY (2022-23)			FY (2021-22)		
	Total Exposure (₹ lakhs)	Gross NPAs* (₹ lakhs)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (₹ lakhs)	Gross NPAs* (₹ lakhs)	Percentage of Gross NPAs to total exposure	Total Exposure (₹ lakhs)	Gross NPAs* (₹ lakhs)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-	-	-	-
3. Services	-	-	-	-	-	-	-	-	-
4. Personal Loans									
i. Loans	6,124.50	-	-	3,565.06	234.68	6.58%	2,194.20	-	-
ii. Others	-	-	-	-	-	-	-	-	-
Total of Personal Loans	6,124.50	-	-	3,565.06	234.68	0.07	2,194.20	-	-
5. Others, if any	-	-	-	-	-	-	-	-	-
* NPAs presented above reflects credit impaired assets as per Ind AS which includes restructured assets classified as									
29.12.7 Intra-group exposures									
Sr. No.	Particulars					FY (2023-24)	FY (2022-23)	FY (2021-22)	
i)	Total amount of intra-group exposures					Nil	Nil	Nil	
ii)	Total amount of top 20 intra-group exposures					Nil	Nil	Nil	
iii)	Percentage of intra-group exposures to total exposure of the Company on borrowers/ customers					Nil	Nil	Nil	
29.12.8 The Company does not have any overseas assets.									
29.12.9 The Company has not sponsored any off-balance sheet Special Purpose Vehicles.									



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ENBEE TRADE AND FINANCE LIMITED
Notes to the financial statements (continued)

as at 31 March 2024
(Currency: INR in Lakhs)

29.12.10 Customer complaints						
Sr. No.	Particulars	FY (2023-24)		FY (2022-23)	FY (2021-22)	
1	Complaints received by the NBFC from its customers	NIL		NIL	NIL	
2	Number of complaints pending at beginning of the year	NIL		NIL	NIL	
3	Number of complaints received during the year	NIL		NIL	NIL	
4	Number of complaints disposed during the year	NIL		NIL	NIL	
3.1	Of which, number of complaints rejected by the NBFC	NIL		NIL	NIL	
4	Number of complaints pending at the end of the year	NIL		NIL	NIL	
5	Maintainable complaints received by the NBFC from Office of Ombudsman	NIL		NIL	NIL	
5.1	Number of maintainable complaints received by the NBFC from Office of Ombudsman	NIL		NIL	NIL	
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	NIL		NIL	NIL	
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	NIL		NIL	NIL	
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	NIL		NIL	NIL	
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	NIL		NIL	NIL	
Grounds of complaints, (i.e. complaints relating to) (1)		Number of complaints pending at the beginning of the year (2)	Number of complaints received during the year (3)	% increase/decrease in the number of complaints received over the previous year (4)	Number of complaints pending at the end of the year (5)	Of 5, number of complaints pending beyond 30 days (6)
FY (2023-24)						
Sanction		-	-	-	-	
Service		-	-	-	-	
Disbursement		-	-	-	-	
Credit decline		-	-	-	-	
Origination Fee		-	-	-	-	
Others		-	-	-	-	
Total		-	-	-	-	
FY (2022-23)						
Sanction		-	-	-	-	
Service		-	-	-	-	
Disbursement		-	-	-	-	
Credit decline		-	-	-	-	
Origination Fee		-	-	-	-	
Others		-	-	-	-	
Total		-	-	-	-	



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ENBEE TRADE AND FINANCE LIMITED
Notes to the financial statements (continued)

as at 31. March 2024
(Currency: INR in Lakhs)

FY (2021-22)					
Sanction	-	-	-	-	-
Disbursement	-	-	-	-	-
Service	-	-	-	-	-
Credit decline	-	-	-	-	-
Origination Fee	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	-
FY (2020-21)					
Sanction	-	-	-	-	-
Disbursement	-	-	-	-	-
Service	-	-	-	-	-
Credit decline	-	-	-	-	-
Origination Fee	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	-

Disclosure of Restructured Accounts As on 31 March 2024

Type of Restructuring		Others*				
		Standard	Substandard	Doubtful	Loss	Total
Asset Classification						
Details						
Restructured accounts as on 1st April, 2023	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Fresh restructuring during the year	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Upgradations of restructured accounts to	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Restructured advances which ceases to attract	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Downgradations of restructured accounts during the	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Write-offs / settlements / recoveries of	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Restructured accounts as on 31st Mar, 2024	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-



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ENBEE TRADE AND FINANCE LIMITED
Notes to the financial statements (continued)

as at 31 March 2024
(Currency: INR In Lakhs)

29.12.11 Disclosure of Restructured Accounts As on 31 March 2023		Standard	Substandard	Others*		
Type of Restructuring	Asset Classification			Doubtful	Loss	Total
Details						
Restructured accounts as on 1st April, 2022	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Fresh restructuring during the year	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Upgradations of restructured accounts to	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Restructured advances which ceases to attract higher provisioning	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Downgradations of restructured accounts during the	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Write-offs / settlements / recoveries of restructured	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Restructured accounts as on 31st Mar, 2023	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-



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ENBEE TRADE AND FINANCE LIMITED
Notes to the financial statements (continued)

as at 31 March 2024
(Currency: INR in Lakhs)

Disclosure of Restructured Accounts As on 31 March 2022

Type of Restructuring Asset Classification		Others*				
		Standard	Substandard	Doubtful	Loss	Total
Details						
Restructured accounts as on 1st April, 2021	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Fresh restructuring during the year	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Upgradations of restructured accounts to	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Restructured advances which ceases to attract	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Downgradations of restructured accounts during the	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Write-offs / settlements / recoveries of	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Restructured accounts as on 31st Mar, 2022	No. of borrowers	-	-	-	-	-
	Amt. outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-

* excludes loans restructured under the Covid-19 Resolution Framework 1.0 & 2.0 which are separately disclosed in Note

29.12.12 Related Party Transactions and Policy on dealing with Related Party Transactions

Details of the related party transactions are provided in the note 37. The Company's Policy on related party transactions



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ENBEE TRADE AND FINANCE LIMITED
Notes to the financial statements (continued)

as at 31 March 2024
(Currency: INR in Lakhs)

29 Disclosures pursuant to Reserve Bank of India Guidelines, to the extent applicable to the Company (continued)
29.13 Asset liability management

Maturity pattern of certain items of assets and liabilities as at 31 March 2024:

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30 days	Over 1 month to 2 months	Over 2 months up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities											
Borrowings *	-	-	-	-	-	-	-	3,131.02	-	-	3,131.02
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	330.49	-	-	-	-	39.00	163.00	2,773.75	3,260.80	-	6,567.04
Investments	-	-	-	-	-	-	-	-	-	-	-
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

The above statements are prepared based on the prepayment assumptions approved by the ALCO.

Maturity pattern of certain items of assets and liabilities as at 31 March 2023:

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30 days	Over 1 month to 2 months	Over 2 months up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities											
Borrowings *	-	-	-	-	-	-	-	2,490.00	-	-	2,490.00
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	179.70	-	-	-	-	624.00	190.00	708.00	2,027.50	-	3,729.20
Investments	-	-	-	-	-	-	-	-	-	-	-
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

The above statements are prepared based on the prepayment assumptions approved by the ALCO.



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Maturity pattern of certain items of assets and liabilities as at 31 March 2022:											
Particulars	1 day to 7 days	8 days to 14 days	15 days to 30 days	Over 1 month to 2 months	Over 2 months up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities											
Borrowings *	-	-	-	-	-	-	-	1,065.00	-	-	1,065.00
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	-	-	-	-	-	-	30.00	785.75	1,348.50	10.00	2,174.25
Investments	-	-	-	-	-	-	-	-	-	-	-
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-
* The above tables as at 31 March 2024, 31 March 2023 31 March 2022 and 31 March 2021 include interest accrued but not due on borrowings.											



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ENBEE TRADE AND FINANCE LIMITED

Notes to Financial Statement for Year ended 31st March 2024

(Currency: INR in Lakhs)

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

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

32 Dues to micro and small suppliers

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
The amounts remaining unpaid to micro and small suppliers as at the end of the year			
Principal	9.54	12.87	7.17
Interest		-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-
Total	9.54	12.87	7.17

Disclosure of outstanding dues of MSME is based on information available with company regarding status of suppliers as defined under MSME Act, 2006 and had been relied upon by auditors. There is undisputed amount as on 31st March, 2023, 31st March, 2022 and 31st March, 2021, to micro and Small and Medium enterprises on account of principle or interest.
Outstanding pertaining to dues payable to MSME entities neither includes any interest payable nor any interest accrued on such payables.

33 Value of Imports- Rs. NIL

34 Dividends proposed to be distributed for the equity shareholders for the year ended 31st March, 2023 March 31, 2022 and 31st March, 2021 is Rs. NIL

35 Payment to Statutory Auditors

During the year, the Company made following payments to statutory auditors: (Excl taxes)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Statutory Audit	3.60	3.60	3.60	3.00
Other services	6.55	7.16	3.33	1.57
Total	10.15	10.76	6.93	4.57

The above disclosed figures are excluding Goods and Service Tax.



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36 Segment Reporting

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

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

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

B) Geographic information

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

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

C) Information about major customers

In FY 2023-24 revenue from 4 customers accounted for Rs 108.45 Lakhs and in FY 2022-23 revenue from 3 customers accounted for Rs 58.75, which contributed more than 10% of the total revenue earned during the year.

36 Analytical Ratios

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

37 Events after the reporting period

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

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

As per our report of even date attached

For Ambavat Jain & Associates LLP

Chartered Accountants

Firm's Registration No. 109681W

Ashish J Jain

Partner

Membership No. 111829

Mumbai: 22/07/2024

UDIN : 24111829BKCBXG1141



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

Amarr Narendra Galla
Managing Director DIN:07138963
Mumbai: 22/07/2024

Mehul Narendra Gala
Chief Financial Officer
Mumbai: 22/07/2024

CERTIFICATE ON ACCOUNTING RATIO

To,

The Board of Directors

Enbee Trade and Finance Limited

B4/C5, Gods Gift CHS Ltd, N M Joshi Marg,
Lower Parel, Mumbai - 400 013,
Maharashtra, India

Saffron Capital Advisors Private Limited

605, Center Point, Sixth Floor,
Andheri - Kurla Road, J.B. Nagar Andheri (East),
Mumbai - 400 059, India

(Saffron Capital Advisors Private Limited referred to as the "Lead Manager")

Dear Sirs,

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

We, Ambavat Jain and Associates LLP, Chartered Accountants, have received a request from the Company to provide confirmations required in relation to the Restated financial statements of the Company as of and for the fiscals 2024, 2023 and 2022 and proposed to be included in the draft letter of offer to be filed by the Company.

We hereby certify the following accounting ratios as of respective periods:

Accounting Ratios:

(₹ in Lakhs)

Particulars	For the year ended		
	2024	2023	2022
Basic and Diluted Earnings Per Share (Rs.)			
Basic Earnings Per Share (Basic EPS)			
Net profit / (loss) after tax, attributable to equity shareholders	155.77	14.00	90.00
Weighted average number of Equity Shares outstanding	112.401	16.001	16.001
Basic EPS in Rs.	1.39	0.87	5.62
Face value in Rs.	10	10	10
Diluted Earnings Per Share (Diluted EPS)			
Net profit / (loss) after tax, attributable to equity shareholders	155.77	14.00	90.00
Weighted average number of Equity Shares considered for calculating Diluted EPS	112.401	16.001	16.001
Diluted EPS in Rs.	1.39	0.87	5.62
Face value in Rs.	10	10	10

Particulars	For the year ended		
	2024	2023	2022
Net Asset Value Per Equity Share (Rs.)			
Net Asset Value (Net-worth)	3037.70	1039.98	1025.33
Number of equity shares outstanding at the end of the period/year	143.24	16.001	16.001
Number of adjusted equity shares outstanding at the end of the period /year	143.24	16.001	16.001
Net Assets Value per equity share (Rs.)	21.21	64.99	64.08
Return on Net worth			
Net Profit / (loss) after tax	155.77	14.00	90.00
Net worth	3037.70	1039.98	1025.33
Return on net worth	0.051	0.014	0.088
EBITDA			
Profit / (loss) after tax (A)	155.77	14.00	90.00
Income tax expense (B)	55.90	3.93	34.89
Finance costs (C)	171.68	136.02	37.29
Depreciation and amortization expense (D)	74.20	6.17	4.4
EBITDA (A+B+C+D)	457.55	160.12	166.58

The ratios have been computed as per the following formulae:

(i) Basic and Diluted Earnings per Share

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

(ii) Net Assets Value (NAV)

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

(iii) Return on Net worth (%)

$$\frac{\text{Net Profit after tax for the year/period, attributable to equity shareholders}}{\text{Net worth (excluding revaluation reserve) at the end of the year/period}}$$

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

(iv) EBITDA

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

We confirm that while providing this certificate, we have complied with the Code of Ethics issued by the

Institute of Chartered Accountants of India. 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,' issued by the ICAI.

We hereby consent to the extracts of this certificate being used in the draft letter of offer of the Company in connection with the Issue or in any other documents in connection with the Issue, and the submission of this certificate as may be necessary, to any regulatory authority and / or for the records to be maintained by the Lead Manager in connection with the Issue and in accordance with applicable law, and for the purpose of any defense the Lead Manager may wish to advance in any claim or proceeding in connection with the contents of the offer documents. We also provide our consent for the reference to this certificate in the due diligence certificate to be filed by the Lead Manager with SEBI.

This certificate may be relied on by the Company, the Lead Manager and the legal counsel in relation to the Issue.

We undertake to update you in writing of any changes in the abovementioned position until the date the Equity Shares issued pursuant to the Issue commence trading on the recognized stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the recognized stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate.

Yours faithfully,

For and on behalf of

Ambavat Jain & Associates LLP.

Firm Registration No. FRN 109681W

Ashish J Jain

Partner

Membership No.: 111829

Place: Mumbai

Date: 10th August, 2024

UDIN : 24111829BKCBYN8503

Encl.:

CC:

T&S Law

Unit Number 15, Logix Technova,

Block B, Sector 132, Noida -201 304,

Uttar Pradesh, India.

(Referred to as the **Legal Counsel**)

ANNEXURE TO CERTIFICATE ON CAPITALIZATION STATEMENT (Ref: RI_JY24: DLOF 6)

Rs. In lakhs

Particulars	Pre-Issue as at 31st March, 2024	As adjusted for the Issue# [Note: To be inserted post Issue]
Shareholders' Funds		
Equity Share Capital	1432.39	[●]
Reserves and Surplus	1605.31	[●]
Total Shareholders' Funds (A)	3037.70	[●]
Debt		
Long Term Borrowings	3106.23	[●]
Other Borrowings (Current maturity of long term borrowings)	24.79	[●]
Total Long Term Borrowings	3131.02	
Short Term Borrowings	Nil	[●]
Total Short Term Debt (B)	Nil	[●]
Total Debts (A+B)	3131.02	[●]
Long-term debt/equity ratio	1.03	[●]
Total debt/equity ratio	1.03	[●]

1. Based on restated Financial Statement as at 31st March, 2024

2. All Borrowings have maturity over 12 Months at initial recognition date hence Long Term in nature.

3. Short Term Borrowings are debts repayable within 12 months from origination of debt.

#To be populated post determination of Issue Price and at the time of filing of the Letter of Offer.

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

You should read the following discussion of our financial condition and results of operations together with our Restated Audited Financial Statements as of and for the Fiscals 2024, 2023 and 2022 included in this Draft Letter of Offer. Our Restated Audited Financial Statements are prepared in accordance with the Companies Act, Ind AS and in accordance with the SEBI ICDR Regulations, including the schedules, annexures and notes thereto and the reports thereon, included in the section titled "Financial Information" on page 84. Unless otherwise stated, the financial information used in this chapter is derived from the Restated Audited Financial Statements of our Company.

Our Company's Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year or Fiscal are to the twelve months ended March 31 of that year.

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

This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward looking statements as a result of certain factors such as those set forth in the sections titled "Risk Factors" and "Forward-Looking Statements" on pages 21 and 84, respectively.

OVERVIEW OF OUR BUSINESS

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

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

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

Our restated standalone revenues from operations for Fiscals 2024, 2023 and 2022 were ₹ 1,025.30 lakhs, ₹ 486.72 lakhs and ₹ 363.71 lakhs respectively. Our standalone EBITDA for the Fiscals 2024, 2023 and 2022 were ₹ 457.55, ₹ 160.12 lakhs and ₹ 166.58 lakhs, respectively. Our restated standalone profit after tax for Fiscals 2024, 2023 and 2022 were ₹ 155.77 lakhs, ₹ 14 lakhs and ₹ 90 lakhs respectively.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section entitled 'Risk Factors' on page 21 of this Draft Letter of Offer. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- Any adverse changes in central or state government policies;
- Any adverse development that may affect our operations in India;
- Any qualifications or other observations made by our statutory auditors which may affect our results of operations;
- An increase in the productivity and overall efficiency of our competitors;
- Our ability to maintain and enhance our brand image;
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;

- Changes in technology and our ability to manage any disruption or failure of our technology systems;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Occurrences of natural disasters or calamities affecting the areas in which we have operations;
- Market fluctuations and industry dynamics beyond our control;
- Our ability to compete effectively, particularly in new markets and businesses;
- Changes in foreign exchange rates or other rates or prices;
- Inability to collect our dues and receivables from, or invoice our unbilled services to, our customers, our results of operations;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of interest with our Individual Promoter and other related parties;
- Changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry;
- Termination of customer contracts without cause and with little or no notice or penalty; and
- Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or noncompliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Restated Audited Financial Statements for Fiscals 2024, 2023 and 2022. For details of our significant accounting policies, please refer section titled “*Financial Information*” on page 84 of this Draft Letter of Offer.

CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

Except as mentioned in chapter “*Financial Information*” on page 84 of this Draft Letter of Offer, there has been no change in accounting policies in last 3 years.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

The auditor has not given any reservation, qualification and adverse remarks on the financial statements of the Company. For details, see section titled “*Financial Information*” on page 84 of this Draft Letter of Offer.

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS ACCOUNT

The following descriptions set forth information with respect to the key components of the Restated Audited Financial Statements for the fiscals 2024, 2023 and 2022.

Total income

Our revenue comprises of:

Revenue from operations

Our revenue from operations is predominantly from interest income on loans.

Other Income

Other income comprises of Finance Income.

Expenses

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

Finance Cost

Finance cost comprises of Interest on Borrowings (other than debt securities) and Finance Cost on Leases.

Employee Benefits Expense

Employee benefit expense consists of salaries and wages.

Depreciation and amortization

Depreciation and amortization expense comprises of depreciation/amortization on tangible assets.

Other expenses

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

Tax expenses

Tax expense comprises of current tax, deferred tax and also Tax on earlier years. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is certain that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Tax on earlier years includes difference between the provision for tax made in books and actual tax paid.

RESULTS OF OPERATIONS

The following table sets forth, for the restated audited financial statements for the year ended March 31, 2024 and March 31, 2023, expressed in absolute terms and as a percentage of our total income for the periods indicated.

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2024		For the Year Ended March 31, 2023	
	Amount	(%)*	Amount	(%)*
Income				
Revenue from Operations				
Interest Income	1,025.30	99.98	486.72	100.00
Finance Income	0	0.00	0	0.00
Other Incomes	0.22	0.02	0	0.00
Total Income (A)	1,025.52	100.00	486.72	100.00
Expenses:				
Finance costs	174.22	16.99	138.20	28.39
Impairment of Financial Instrument (ECL)	278.41	27.15	78.86	16.20
Employee benefit expenses	229.00	22.33	214.67	44.11
Depreciation and amortisation expense	74.20	7.24	6.17	1.27
Other Expenses	58.02	5.66	30.89	6.35
Total Expenses (B)	813.85	79.36	468.79	96.32
Profit before Extraordinary items	211.67	20.64	17.93	3.68
Extraordinary items	0	0.00	0	0.00
Profit before Tax	211.67	20.64	17.93	3.68
Tax Expenses:				
(i) Current tax	108.52	10.58	14.10	2.90

(ii) Deferred Tax	(86.63)	(8.45)	(8.67)	(1.78)
(iii) Excess/Short provision for earlier period	34.01	3.32	(1.50)	(0.31)
Total Tax Expense	55.9	5.45	3.93	0.81
Profit/ (Loss) After Tax	155.77	15.19	14.00	2.88
Other Comprehensive Income				
a) Items that will not be reclassified to profit or loss	0	0.00	0	0.00
Remeasurement of defined benefit plan	5.38	0.52	0.98	0.20
Income tax relating to above item that will not be reclassified to profit or loss	(1.35)	(0.13)	(0.25)	(0.05)
b) Income tax relating to items that will not be reclassified to profit or loss	-	0.00	-	0.00
Total Comprehensive Income	-	0.00	-	0.00
Total Comprehensive Income for the period	159.79	15.58	14.73	3.03

*(%) column represents percentage of total income.

COMPARISION OF YEAR ENDED MARCH 31, 2023, WITH YEAR ENDED MARCH 31, 2024

Total Income

Our total income for the year ended March 31, 2024, was ₹ 1025.52 lakhs as compared to ₹ 486.72 lakhs for the year ended March 31, 2023, representing an increase of 110.70%. The increase in total income was primarily due to increase in interest income.

Total revenue comprises of:

Revenue

Revenue from operations from interest income

Our revenue from operations from interest income for the year ended March 31, 2024 was ₹ 1,025.30 lakhs as compared to ₹ 486.72 lakhs for the year ended March 31, 2023, representing an increase of 110.65%. This is primarily due to increase in interest income.

Other income

Our other income for the year ended March 31, 2024, was ₹ 0.22 lakhs and for the year ended March 31, 2023 was NIL. This represents an increase in other income of the company from finance income – lease deposit.

Total Expenses

Our total expenses for the year ended March 31, 2024, was ₹ 813.85 lakhs as compared to ₹ 468.79 lakhs for the year ended March 31, 2023, representing an increase of 73.61%.

Finance Cost

Finance cost for the year ended March 31, 2024 was ₹ 174.22 lakhs as compared to ₹ 138.20 lakhs for the year ended March 31, 2023 representing an increase of 26.06%. The increase in Finance cost is primarily due to increase in loans and borrowings resulting in increase in interest expense.

Impairment of Financial Instrument

Impairment of Financial Instrument for the year ended March 31, 2024 was ₹ 278.41 lakhs as compared to ₹ 78.86 for the year ended March 31, 2023 representing an increase of 253.04% . This is Expected Credit Loss provision as per IND AS regulations.

Employee Benefits Expense

Our employee benefit expenses for the year ended March 31, 2024, was ₹ 229 lakhs as compared to ₹ 214.67 lakhs for the year ended March 31, 2023, representing an increase of 6.68%. The increase in Employee Benefits Expense was primarily due to increase in yearly salary increment of employees and Directors.

Depreciation and amortization

Our depreciation and amortization expenses for the year ended March 31, 2024 was ₹ 74.20 lakhs as compared to ₹ 6.17 lakhs for the year ended March 31, 2023, representing an increase of 1,102.59%. The increase in depreciation is due to addition of fixed assets.

Other expenses

Our other expenses for the year ended March 31, 2024 was ₹ 58.02 lakhs as compared to ₹ 30.89 lakhs for the year ended March 31, 2023, representing an increase of 87.83%. The increase in expenses is due to increase in professional fees and listing fees as a result of rights issue.

Profit/Loss before Tax

The profit before tax for the year ended March 31, 2024, is ₹ 211.67 lakhs as compared to ₹ 17.93 lakhs for the year ended March 31, 2023, representing an increase of 1080.84%. The increase in profit before tax is due to increase in interest income of the company.

Taxation

Total tax expense for the year ended March 31, 2024, was ₹ 55.90 lakhs as compared to ₹ 3.93 lakhs for the year ended March 31, 2023, representing an increase of 1322.38 %. The increase was due to increase in net income.

Profit/Loss after Tax

As a result of the aforesaid, Our Company earned a profit for the year ended March 31, 2024, of ₹ 155.77 lakhs as compared to ₹ 14 lakhs for the year ended March 31, 2023, representing an increase of 1,012.64%. The increase was due to increase in net income.

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

Particulars	For the Year Ended March 31, 2024		For the Year Ended March 31, 2023		For the Year Ended March 31, 2022	
	Amount	(%)*	Amount	(%)*	Amount	(%)*
<i>(₹ in Lakhs)</i>						
Income						
Revenue from Operations						
Interest Income	1,025.30	99.98	486.72	100.00	363.71	99.93
Finance Income	0	0.00	0	0.00	0	0.00
Other Incomes	0.22	0.02	0	0.00	0.27	0.07
Total Income (A)	1,025.52	100.00	486.72	100.00	363.98	100.00
Expenses:						
Finance costs	174.22	16.99	138.20	28.39	40.92	11.24
Impairment of Financial Instrument (ECL)	278.41	27.15	78.86	16.20	(56.76)	(15.59)
Employee benefit expenses	229.00	22.33	214.67	44.11	183.37	50.38
Depreciation and amortisation expense	74.20	7.24	6.17	1.27	4.40	1.21
Other Expenses	58.02	5.66	30.89	6.35	67.16	18.45
Total Expenses (B)	813.85	79.36	468.79	96.32	239.09	65.69

Profit before Extraordinary items	211.67	20.64	17.93	3.68	124.89	34.31
Extraordinary items	0	0.00	0	0.00	0	0.00
Profit before Tax	211.67	20.64	17.93	3.68	124.89	34.31
Tax Expenses:						
(i) Current tax	108.52	10.58	14.10	2.90	28.80	7.91
(ii) Deferred Tax	(86.63)	(8.45)	(8.67)	(1.78)	6.09	1.67
(iii) Excess/Short provision for earlier period	34.01	3.32	(1.50)	(0.31)	0	0.00
Total Tax Expense	55.9	5.45	3.93	0.81	34.89	9.59
Profit/ (Loss) After Tax	155.77	15.19	14.00	2.88	90.00	24.73
Other Comprehensive Income						
a) Items that will not be reclassified to profit or loss	0	0.00	0	0.00	0	0.00
Remeasurement of defined benefit plan	5.38	0.52	0.98	0.20	(4.22)	(1.16)
Income tax relating to above item that will not be reclassified to profit or loss	(1.35)	(0.13)	(0.25)	(0.05)	1.06	0.29
b) Income tax relating to items that will not be reclassified to profit or loss	0	0.00	0	0.00	0	0.00
Total Comprehensive Income	0	0.00	0	0.00	0	0.00
Total Comprehensive Income for the period	159.80	15.58	14.73	3.03	86.84	23.86

* (%) column represents percentage of total revenue.

COMPARISION OF FINANCIAL YEAR ENDED MARCH 31, 2023 WITH FINANCIAL YEAR ENDED MARCH 31, 2022

Total Income

Our total income for the year ended March 31, 2023, was ₹ 486.72 lakhs as compared to ₹ 363.98 lakhs for the year ended March 31, 2022, representing an increase of 33.72%. The increase in total income was primarily due to increase in interest income.

Total revenue comprises of:

Revenue

Revenue from operations from interest income

Our revenue from operations from interest income for the year ended March 31, 2023 was ₹ 486.72 lakhs as compared to ₹ 363.71 lakhs for the year ended March 31, 2022, representing an increase of 33.82%. This is primarily due to increase in interest income.

Other income

Our other income for the year ended March 31, 2023, was Nil lakhs and for the year ended March 31, 2022 was 0.27. This represents decrease in other income of the company from finance income – lease deposit.

Total Expenses

Our total expenses for the year ended March 31, 2023, was ₹ 468.79 lakhs as compared to ₹ 239.09 lakhs for the year ended March 31, 2022, representing an increase of 96.07%.

Finance Cost

Finance cost for the year ended March 31, 2023 was ₹ 138.20 lakhs as compared to ₹ 40.92 lakhs for the year ended March 31, 2022 representing an increase of 237.73%. The increase in Finance cost is primarily due to increase in loans and borrowings resulting in increase in interest expense.

Impairment of Financial Instrument

Impairment of Financial Instrument for the year ended March 31, 2023 was ₹ 78.86 lakhs as compared to ₹ (56.76) for the year ended March 31, 2022 representing an increase of 38.94%. This is Expected Credit Loss provision as per IND AS regulations.

Employee Benefits Expense

Our employee benefit expenses for the year ended March 31, 2023, was ₹ 214.67 lakhs as compared to ₹ 183.37 lakhs for the year ended March 31, 2022, representing an increase of 17.06%. The increase in Employee Benefits Expense was primarily due to increase in yearly salary increment of employees and Directors.

Depreciation and amortization

Our depreciation and amortization expenses for the year ended March 31, 2023, was ₹ 6.17 lakhs as compared to ₹ 4.40 lakhs for the year ended March 31, 2022, representing an increase of 40.23%. The increase in depreciation is due to addition of fixed assets.

Other expenses

Our other expenses for the year ended March 31, 2023, was ₹ 30.89 lakhs as compared to ₹ 67.16 lakhs for the year ended March 31, 2022, representing decrease of 54.01%. The decrease in expenses is due to impairment of financial instruments.

Profit/Loss before Tax

The profit before tax for the year ended March 31, 2023, was ₹ 17.93 lakhs as compared to ₹ 124.89 lakhs for the year ended March 31, 2022, representing decrease of 85.64%. The decrease in profit was due to increase in the total expenses of the company.

Taxation

Total tax expense for the year ended March 31, 2023, was ₹ 3.93 lakhs as compared to ₹ 34.89 lakhs for the year ended March 31, 2022, representing decrease of 88.73 %. The decrease in tax was due to increase in the total expenses of the company.

Profit/Loss after Tax

As a result of the aforesaid, Our Company earned a profit for the year ended March 31, 2023, of ₹ 14 lakhs as compared to ₹ 90 lakhs for the year ended March 31, 2022, representing decrease of 84.44%.

CASH FLOWS

The following table sets forth certain information relating to our cash flows in the periods indicates:

Particulars	Based on Restated Financial Statements		
	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net (loss)/profit before tax	211.67	17.93	124.89
Net cash generated from/ (used in) operating activities	(1,675.17)	67.50	0.88
Net cash generated from/ (used in) investing activities	(164.80)	(68.61)	(0.01)

(₹ in lakhs)

Net cash generated from/ (used in) financing activities	1,837.94	0	0
Net increase/ (decrease) in cash and cash equivalents	(2.03)	(1.10)	0.87
Cash and cash equivalents at the beginning of the period	3.26	4.36	3.49
Cash and cash equivalents at the end of the period	1.23	3.26	4.36

Operating Activities

In Fiscal 2024, our net cash used in operating activities was ₹ 1675.17 lakhs and operating profit before working capital changes was ₹ 567.04 lakhs which was primarily due to increase in loans and advances.

In Fiscal 2023, our net cash generated from operating activities was ₹ 67.50 lakhs and operating loss before working capital changes was ₹ 12.45 lakhs which was primarily due to borrowings and other financial liabilities.

In Fiscal 2022, our net cash generated from operating activities was ₹ 0.88 lakhs and operating profit before working capital changes was ₹ 112.06 lakhs which was primarily due to Impairment Provision per ECL.

Investing activities

In Fiscal 2024, our net cash used in investing activities was ₹ 164.80 lakhs. This was primarily due to purchase of Fixed Assets/Recognition of ROU Asset.

In Fiscal 2023, our net cash used in investing activities was ₹ 68.61 lakhs. This was primarily due to purchase of Fixed Assets/Recognition of ROU Asset.

In Fiscal 2022, our net cash used in investing activities was ₹ 0.01 lakhs. This was primarily due to purchase of Fixed Assets/Recognition of ROU Asset.

Financing activities

In Fiscal 2024, our net cash generated from financing activities was ₹ 1,837.94 lakhs. This was primarily due to increase in share capital of the company.

In Fiscal 2023, our net cash generated from or used in financing activities was ₹ Nil lakhs.

In Fiscal 2022, net cash generated from or used in financing activities was ₹ Nil lakhs.

Contingent Liabilities

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

Off-Balance Sheet Arrangements

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

Qualitative Disclosure about Market Risk

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

Total Debt

For details of our borrowings, please see section titled “*Financial Statements*” on page 84 of this Draft Letter of Offer.

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

Other than as described in the section titled “*Risk Factors*” and chapter titled “*Management's Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on pages 21 and 130, respectively, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

Unusual or Infrequent Events or Transactions

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

Significant economic/regulatory changes

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

There are no significant economic changes that materially affected our Company’s operations or are likely to affect income except as mentioned in the section titled “*Risk Factors*” on page 21.

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

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

Other than as described in the section titled “*Risk Factors*” and chapter titled “*Management's Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on pages 21 and 130, respectively, and elsewhere in this Draft Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company’s future costs and revenues will be determined by demand/supply situation and government policies.

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

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

Competitive Conditions

We expect competition in the sector from existing and potential competitors to vary. However, on account of our core strengths like customer relationship management, active price negotiations and effective machine availability, we are able to stay competitive. For further details, kindly refer the chapter titled “*Our Business*” beginning on page 68.

Total Turnover of Each Major Business Segment

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

New Product or Business Segment

Except as disclosed in “*Our Business*” on page 68, we have not announced and do not expect to announce in the near future any new products or business segments.

Seasonality of Business

Our Company’s business is not seasonal in nature.

Significant dependence on a Single or Few Suppliers or Customers

Other than as described in this Draft Letter of Offer, particularly in sections “*Risk Factors*” on page 21, to our knowledge, there is no significant dependence on a single or few customers or suppliers.

Related party transactions

The details of Related Party Transactions for financial year 2023-24, 2022-23 and 2021-22 on s basis, please see the “Related Party Disclosure” in section titled “*Financial Information*” at page 84 of this Draft Letter of Offer.

Significant Developments since last balance sheet date

Except as disclosed above and in this Draft Letter of Offer, including under “*Our Business*” and “*Risk Factors*” on pages 6868 and 21 respectively, to our knowledge no circumstances have arisen since December 31, 2023, the date of the last financial information disclosed in this Draft Letter of Offer which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

MARKET PRICE INFORMATION

Our Company's Equity Shares have been listed and actively being traded on BSE Limited only from October 24, 1986.

- a) Year is a Financial Year;
- b) Average price is the average of the daily closing prices of the Equity Shares for the year, or the month, as the case may be;
- c) High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of the Equity Shares, as the case may be, for the year, or the month, as the case may be; and
- d) In case of two days with the same high / low / closing price, the date with higher volume has been considered.

Stock Market Data of the Equity Shares

The high, low and average market closing prices recorded on the Stock Exchange during the last three years and the number of Equity Shares traded on these days are stated below:

a) BSE Limited

Financial Year	High (₹)	Date of high	No. of shares traded on date of high	Total volume traded on date of high (in ₹)	Low (₹)	Date of low	No. of shares traded on date of low	Total volume of traded on date of low (in ₹)	Average price for the year (₹)
2024	36.21	May 04, 2023	11,189	3,95,624	9.91	December 07, 2023	2,06,906	20,66,812	18.35
2023	113	September 08, 2022	2,103	2,36,796	28.03	March 21, 2023	1,193	33,570	60.38
2022	85	December 30, 2021	360	30,600	25.1	September 29, 2021	6	150	47.01

(Source: www.bseindia.com)

Notes:

High, low and average prices are based on the daily closing prices.

In case of two days with the same high or low price, the date with the high volume has been considered.

Market Prices for the last six calendar months

The total number of days trading during the past six months, from February 2024 to July 2024 was 123. The average volume of Equity Shares traded on the BSE was 83,223 per day.

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

BSE Limited

Month	High (₹)*	Date of high	Volume (No. of shares)	Total volume traded on date of high (in ₹)	Low (₹)*	Date of low	Volume (No. of shares)	Total volume traded on date of low (in ₹)	Average price for the month (₹)**
July 2024	12.17	July 12, 2024	46,120	5,59,466	11.53	July 22, 2024	55639	647157	11.83
June 2024	12.51	June 12, 2024	28,613	3,54,380	11.27	June 06, 2024	66,814	7,60,642	12.03
May 2024	14.20	May 03, 2024	2,61,074	36,79,566	12.05	May 10, 2024	39,632	4,79,573	12.80

Month	High (₹)*	Date of high	Volume (No. of shares)	Total volume traded on date of high (in ₹)	Low (₹)*	Date of low	Volume (No. of shares)	Total volume traded on date of low (in ₹)	Average price for the month (₹)**
April 2024	13.46	April 30, 2024	21,008	2,82,767	11.20	April 19, 2024	17,128	1,91,287	12.07
March 2024	15.01	March 01, 2024	99,041	14,86,112	11.91	March 13, 2024	76,447	9,13,537	13.61
Feb 2024	22.37	February 01, 2024	8,963	2,00,502	13.91	February 23, 2024	7,07,717	98,95,237	17.98

(Source: www.bseindia.com)

* High and low prices are based on the high and low of the daily closing prices.

**Average of the daily closing prices.

In the event the high or low or closing price of the Equity Shares are the same on more than one day, the day on which there has been higher volume of trading has been considered for the purposes of this chapter.

The Board of our Company has approved the Issue at their meeting held on January 06, 2024. The high and low prices of our Company's shares as quoted on the BSE on January 08, 2024, the day on which the trading happened immediately following the date of the Board meeting is as follows:

Date	Volume (No of equity Shares)	Highest Price (₹)	Low price (₹)
BSE			
January 08, 2024	18,38,359	27.4	24.8

Source: www.bseindia.com

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND DEFAULTS

Except as stated in this section, there are no outstanding (i) criminal proceedings involving our Company, Subsidiaries, Directors or Promoters; (ii) actions by any statutory or regulatory authorities involving our Company, Subsidiaries, Directors or Promoters; or (iii) claim involving our Company, Subsidiaries, Directors or Promoters for any direct or indirect tax liabilities (disclosed in a consolidated manner giving the total number of claims and total amounts involved), (iv) proceeding involving our Company, Subsidiaries, Directors or Promoters (other than proceedings covered under (i) to (iii) above) which has been determined to be “material” pursuant to our Company’s ‘Policy on determination of materiality of events’ framed in accordance with Regulation 30 of the SEBI Listing Regulations (“Materiality Policy”).

In terms of the Materiality Policy, other than outstanding criminal proceedings, actions taken by any statutory or regulatory authority and claims for any direct or indirect tax liabilities mentioned in point (i) to (iii) above, all other pending litigation:

- A. *involving our Company and Subsidiaries (“Relevant Parties”):*
- i. *where the aggregate monetary claim made by or against the Relevant Parties, in any pending civil litigation proceeding exceeds the lower of the following: (a) two percent of turnover, as per the last Restated Financial Statements of the listed entity; (b) two percent of net worth, as per the last Restated Financial Statements of the listed entity, except in case the arithmetic value of the net worth is negative; (c) five percent of the average of absolute value of profit or loss after tax, as per the last three Restated Financial Statements of the listed entity shall be considered material and will be disclosed in the Offer Documents. 5% percent of average net profit, as per the last three Restated Financial Statements being ₹ 4.33 lakhs. Accordingly, all outstanding civil litigation proceedings where the aggregate monetary claim made by or against the Relevant Parties, in any such pending litigation proceeding is in excess of ₹ 4.33 lakhs shall be considered material;*
 - ii. *where the monetary liability is not quantifiable, or which does not fulfil the threshold specified in (i) above, but the outcome of which could, nonetheless may have a material adverse effect on the position, business, operations, prospects or reputation of our Company will be considered “material” and will be disclosed in the Offer Documents.*
- B. *involving our Directors and our Promoters (individually or in aggregate), the outcome of which would materially and adversely affect the business, operations, prospects, financial position or reputation of our Company, irrespective of the amount involved, has been considered as material.*

Further, except as disclosed in this section, there are no disciplinary action taken against any of our Promoters by SEBI or the Stock Exchange in the five Fiscals preceding the date of this Draft Letter of Offer.

Further, in accordance with a resolution passed by the Board of Directors in their meeting held on January 24, 2024, a creditor of our Company, shall be considered to be material creditor (except banks and financial institutions from whom our Company has availed financing facilities) for the purpose of disclosure in the offer documents, if amounts due to such creditor exceeds 5 per cent of the total trade payables of our Company as per the most recently period added in the Draft Letter of Offer. Accordingly, we have disclosed consolidated information of outstanding dues owed to any creditors of our Company, separately giving details of number of cases and amount for all dues where each of the dues exceed ₹ 2.41 lakhs (being approximately 5% of total trade payables of our Company as at March 31, 2024 as per the Limited Reviewed Unaudited Financial Information) (“Material Dues”). Further, in accordance with the Materiality Policy for the disclosure of the outstanding dues to any party which is a micro, small or a medium enterprise (“MSME”) will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.

Unless stated to the contrary, the information provided in this section is as of the date of this Draft Letter of Offer. All terms defined in a summary pertaining to a particular litigation shall be construed only in respect of the summary of the litigation where such term is used.

1. LITIGATION INVOLVING OUR COMPANY

i. Litigation against our Company

1. Criminal Proceedings

Nil

2. Actions taken by Statutory/Regulatory Authorities

Nil

3. Tax Proceedings

Below are the details of pending tax cases involving our Company, specifying the number of cases pending and the total amount involved:

(₹ in lacs)

Particulars	Number of cases	Amount involved*
Indirect Tax		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
GST	Nil	Nil
Total	Nil	Nil
Direct Tax		
Cases filed against our Company	Nil	Nil
Cases filed by our Company	Nil	Nil
Total	Nil	Nil

*To the extent quantifiable

4. Other Material Litigations

Nil

5. Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscals

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

(in ₹)

S. No.	Particulars of non-compliance	Amount of fine imposed	Date of payment of fine
1.	Failure to appoint a company secretary and compliance officer during the quarter ended September 30, 2020 under the SEBI Listing Regulations	70,800	May 21, 2021
2.	Failure to submit financial results for the quarter ended March 31, 2020 under Regulation 33 of the SEBI Listing Regulations	The fine imposed on our Company was waived pursuant to an email dated January 25, 2021 received from BSE. The waiver was granted in view of the COVID-19 pandemic.	-
3.	Non-compliance with respect to constitution of nomination and remuneration committee under Regulation Regulation 19(1)/ 19(2) of the SEBI Listing Regulations	A fine of ₹ 56,640 has been levied on our Company. However, an application for waiver of this penalty was submitted on May 26, 2024, and subsequently uploaded on the BSE Listing Centre on June 19, 2024. The application is presently pending.	-

ii. Litigation by our Company

1. Criminal Proceedings

Nil

2. Civil and other Material Litigations

Nil

2. LITIGATION INVOLVING OUR PROMOTERS

Cases filed against our Promoters

1. Criminal Proceedings

Nil

2. Actions taken by Statutory/Regulatory Authorities

Nil

3. Tax Proceedings

Below are the details of pending tax cases involving our Promoters, specifying the number of cases pending and the total amount involved:

(₹ in lakhs)

Particulars	Number of cases	Amount involved*
Indirect Tax		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
Total	Nil	Nil
Direct Tax		
Cases filed against our Promoters	Nil	Nil
Cases filed by our Promoters	Nil	Nil
Total	Nil	Nil

*To the extent quantifiable

4. Other Material Litigations

Nil

Cases filed by our Promoters

1. Criminal Proceedings

Nil

2. Other Material Litigations

Nil

Disciplinary action against our Promoters by SEBI or any stock exchange in the last five Fiscals

An order dated August 31, 2018 was passed by the Adjudicating Officer (“AO”) of the Securities and Exchange Board of India (“SEBI”) imposing a penalty of ₹ 1.00 lakh, each, on our Company, our Promoter, Amarr Narendra Galla, our Whole-time Director, Ssamta Amar Gaala and members forming part of our Promoter Group, namely, Bharathi N. Gala and Bharat T Mamania. The penalty was imposed on our Promoter, Whole-time Director and members forming part of our Promoter Group, on account of failing to comply with Regulation

7(1)(b) of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended and on our Company, for failing to comply with Regulation 7(2)(a) of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended. Our Company, our Promoter, Whole-time Director and members forming part of our Promoter Group paid the aforementioned penalty on October 11, 2018.

3. LITIGATION INVOLVING OUR DIRECTORS

Cases filed against our Directors

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Nil

3. *Tax Proceedings*

Below are the details of pending tax cases involving our Directors, specifying the number of cases pending and the total amount involved:

(₹ in lakhs)

Particulars	Number of cases	Amount involved*
<i>Indirect Tax</i>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
Total	Nil	Nil
<i>Direct Tax</i>		
Cases filed against our directors	Nil	Nil
Cases filed by our directors	Nil	Nil
Total	Nil	Nil

*To the extent quantifiable

3. *Disciplinary action by SEBI or any stock exchange in the last five Fiscals*

Nil

4. *Other Material Litigations*

Nil

Cases filed by our Directors

1. *Criminal Proceedings*

Nil

2. *Other Material Litigations*

Nil

3. *Disciplinary action against our Promoters by SEBI or any stock exchange in the last five Fiscals*

Nil

4. LITIGATION INVOLVING OUR SUBSIDIARIES

As on date of this DLOF, we do not have any subsidiaries.

5. Outstanding dues to creditors

As per the Materiality Policy, a creditor of our Company, shall be considered to be material (“**Material Creditors**”) for the purpose of disclosure in this Draft Letter of Offer, if amounts due to such creditor by our Company is in excess of 5% of the trade payables of our Company as at the end of the latest period included in the Restated Financial Information (*i.e.*, as at March 31, 2024). Accordingly, a creditor has been considered ‘material’ by our Company if the amount due to such creditor exceeds ₹ 2.41 lakhs as on March 31, 2024.

As of March 31, 2024, outstanding dues to Material Creditors, micro, small and medium enterprises and other creditors were as follows:

S. No.	Type of creditor	No. of creditors	Amount outstanding (₹ in lakhs)
1.	Dues to micro, small and medium enterprises (Material creditors)	2	9.86
2.	Dues to Material Creditors	4	22.94
3.	Dues to other creditors	23	15.34
	Total	29	48.14

The details pertaining to outstanding dues to Material Creditors, along with the name and amount involved for each such Material Creditor, are available on the website of our Company at www.enbeetrade.com. It is clarified that such details available on our Company’s website do not form a part of this Draft Letter of Offer and should not be deemed to be incorporated by reference. Anyone placing reliance on any source of information including our Company’s website, www.enbeetrade.com would be doing so at their own risk.

6. Disclosures pertaining to wilful defaulters

Neither our Company, nor our Promoter, and Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

There are no violations of securities laws committed by them in the past or are currently pending against any of them.

7. Material Developments

Except as disclosed in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 130, there have been no material developments, since the date of the last financial statements disclosed in this Draft Letter of Offer, any circumstances, which materially and adversely affect, or are likely to affect our trading or profitability of our Company or the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER STATUTORY APPROVALS

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

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, please refer to the chapter titled “*Objects of the Issue*” at page 54 of this Draft Letter of Offer.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board of Directors in its meeting dated January 6, 2024, read with the resolution passed by the Rights Issue Committee in its meeting held on August 10, 2024 have authorized this Issue under Section 62(1)(a) of the Companies Act, 2013.

The Draft Letter of Offer was approved by the Rights Issue Committee of our Board of Directors pursuant to its resolution dated August 10, 2024. The Letter of Offer was approved by our Board pursuant to its resolution dated [●]. Our Board of Directors has, at its meeting held on [●], determined the Issue Price as ₹ [●] per Rights Equity Share in consultation with the Lead Manager, and the Rights Entitlement as [●] ([●]) Rights Equity Share for every [●] ([●]) Equity Shares held on the Record Date.

Our Company has received 'in-principle' approvals for listing of the Rights Equity Shares to be Allotted pursuant to Regulation 28 of SEBI Listing Regulations, *vide* a letter dated [●] issued by BSE for listing of the Rights Equity Shares to be Allotted pursuant to the Issue.

Prohibition by SEBI or other Governmental Authorities

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

Further, our Promoter and our Directors are not promoter(s) or director(s) of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

There are no outstanding action initiated against our Directors and our Company by SEBI in the five years preceding the date of filing of this Draft Letter of Offer.

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

Prohibition by RBI

Neither our Company nor our Promoter or any of our Directors have been identified or categorized as Wilful Defaulter(s) or Fraudulent Borrower(s).

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company and our Promoter are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Draft Letter of Offer.

Eligibility for the Issue

Our Company is a listed company, incorporated under Companies Act, 1956. The Equity Shares of our Company are presently listed on BSE.

We are eligible to undertake the Issue in terms of Chapter III of the SEBI ICDR Regulations. Pursuant to Clauses (1) and (2) of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is required to make disclosures in accordance with Part B-1 of Schedule VI to the SEBI ICDR Regulations.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchange for listing of the Rights Equity Shares to be issued pursuant to the Issue. BSE Limited is the Designated Stock Exchange for the Issue.

DISCLAIMER CLAUSE OF SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of issue is up to ₹ 4,000 lakhs. The present Issue being of less than ₹ 5,000 lakhs, our Company is in compliance with first proviso to Regulation 3 of the SEBI ICDR Regulations and our Company shall file a copy of the Letter of Offer prepared in accordance with the SEBI ICDR Regulations with SEBI for information and dissemination on the website of SEBI i.e. www.sebi.gov.in.

Disclaimer from our Company, our Directors and the Lead Manager

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.enbeetrade.com or an affiliate of our Company would be doing so at his or her own risk.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centers or elsewhere.

Investors will be required to confirm and will be deemed to have represented to our Company, Lead Manager and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Lead Manager and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

No information which is extraneous to the information disclosed in this Draft Letter of Offer or otherwise shall be given by our Company or any member of the Issue management team or the syndicate to any particular section of investors or to any research analyst in any manner whatsoever, including at road shows, presentations, in research or sales reports or at bidding centers.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date.

Disclaimer in respect of Jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Maharashtra, India only.

Disclaimer Clause of BSE

As required, a copy of this Draft Letter of Offer has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to the filing with BSE.

Designated Stock Exchange

The Designated Stock Exchange for the purposes of the Issue is BSE Limited.

Listing

Our Company will apply to the Stock Exchange for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

Selling Restrictions

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer, Application Form and the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of this the Draft Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Draft Letter of Offer has been filed with BSE.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Draft Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Draft Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of this Draft Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date of such information. Each person who exercises Rights Entitlements and subscribes for Equity Shares, or who purchases Rights Entitlements or Equity Shares shall do so in accordance with the restrictions set out below.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE DRAFT LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and this Draft Letter of Offer, Letter of Offer/ Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of the Letter of Offer, (i) that it is not and that, at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company, in consultation with the Lead Manager, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed “Overseas Shareholders” to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICIATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

Consents

Consents in writing of: our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, the Lead Manager, legal advisor, the Registrar to the Issue and the Bankers to the Issue* to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

**Will be obtained at the time of filing of the Letter of Offer*

Our Company has received written consent dated August 10, 2024 from the Statutory Auditor to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Letter of Offer as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated July 22, 2024 on our Restated Financial Information for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022; and (ii) the statement of tax benefits dated August 10, 2024 in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer.

Expert Opinion

Our Company has received written consent dated August 10, 2024 from the Statutory Auditor to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Letter of Offer as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its

capacity as an independent Statutory Auditor and in respect of its (i) examination report dated July 22, 2024 on our Restated Financial Information for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022; and (ii) the statement of tax benefits dated August 10, 2024 in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer.

Except for the abovementioned documents, provided by our Statutory Auditor our Company has not obtained any expert opinions.

Performance vis-à-vis objects – Public/Rights Issue of our Company

Except as stated below, our Company has not made any rights issues or public issues during the five years immediately preceding the date of this Draft Letter of Offer:

Date of Allotment	Nature of Allotment	Number of Equity Shares Allotted	Face Value per Equity Shares	Issue price per Equity Share (in ₹)	Date of listing on the stock exchange
June 23, 2023	Rights Issue	1,27,23,889	10	15	June 30, 2023

There have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

Performance vis-à-vis objects – Last issue of listed Subsidiaries or Associates

As on date of this Draft Letter of Offer, Company does not have any associate companies or subsidiaries.

Stock Market Data of the Equity Shares

Our Equity Shares are listed and traded on BSE Limited. For details in connection with the stock market data of the Stock Exchange, please refer to the chapter titled “*Market Price Information*” on page 140 of this Draft Letter of Offer.

NOTICE TO INVESTORS

NO ACTION HAS BEEN TAKEN OR WILL BE TAKEN THAT WOULD PERMIT A PUBLIC OFFERING OF THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES TO OCCUR IN ANY JURISDICTION OTHER THAN INDIA, OR THE POSSESSION, CIRCULATION OR DISTRIBUTION OF THIS DRAFT LETTER OF OFFER OR ANY OTHER MATERIAL RELATING TO OUR COMPANY, THE RIGHTS ENTITLEMENTS OR THE RIGHTS EQUITY SHARES IN ANY JURISDICTION WHERE ACTION FOR SUCH PURPOSE IS REQUIRED. ACCORDINGLY, THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS DRAFT LETTER OF OFFER NOR ANY OFFERING MATERIALS OR ADVERTISEMENTS IN CONNECTION WITH THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES MAY BE DISTRIBUTED OR PUBLISHED IN OR FROM ANY COUNTRY OR JURISDICTION EXCEPT IN ACCORDANCE WITH THE LEGAL REQUIREMENTS APPLICABLE IN SUCH COUNTRY OR JURISDICTION. THIS ISSUE WILL BE MADE IN COMPLIANCE WITH THE APPLICABLE SEBI REGULATIONS. EACH PURCHASER OF THE RIGHTS ENTITLEMENTS OR THE RIGHTS EQUITY SHARES IN THIS IS SUE WILL BE DEEMED TO HAVE MADE ACKNOWLEDGMENTS AND AGREEMENTS.

Filing

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

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Adroit Corporate Services Private Limited is our Registrar and Share Transfer Agent and all investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer. We have appointed Cameo Corporate Services Limited as the Registrar to the Issue and all investor grievances which shall be received by us with respect to this Issue shall be handled by the said Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Our Company endeavors to dispose investor complaints within 15 days from the receipt of the complaint.

Investor Grievances arising out of this Issue

Investors may contact the Registrar to the Issue or our Company Secretary for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs, giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, see “*Terms of the Issue*” beginning at page 154 of this Draft Letter of Offer. The contact details of our Registrar to the Issue and our Company Secretary are as follows:

Registrar to the Issue

Cameo Corporate Services Limited

Subramanian Building, No. 01,
Club House Road, Chennai- 600 002,
Tamil Nadu, India.

Telephone: +91- 44 – 4002 0700

Facsimile: N.A.

E-mail: rights@cameoindia.com

Website: www.cameoindia.com / <https://rights.cameoindia.com/enbeetrade>

Investor Grievance e-mail: investor@cameoindia.com

Contact Person: K. Sreepriya

SEBI Registration No.: INR000003753

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

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

B4 /C5, Gods Gift Chs Ltd,
N M Joshi Marg, Lower Parel,
Mumbai – 400 013, Maharashtra, India.

Telephone: +91 22 7969 2512

Facsimile: NA

E-mail: enbeetrade@gmail.com

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in the Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this Draft Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Master Circular, Investors proposing to apply in the Issue can apply only through ASBA or by mechanism as disclosed in this Draft Letter of Offer.

Investors are requested to note that application in the Issue can only be made through ASBA or any other mode which may be notified by SEBI.

The Rights Entitlement on the Equity Shares, the ownership of which is currently under dispute and including any court proceedings or are currently under transmission or are held in a demat suspense account and for which our Company has withheld the dividend, shall be held in abeyance and the Application Form along with the Rights Entitlement Letter in relation to these Rights Entitlements shall not be dispatched pending resolution of the dispute or court proceedings or completion of the transmission or pending their release from the demat suspense account. On submission of such documents /records confirming the legal and beneficial ownership of the Securities with regard to these cases on or prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to the Rights Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.

The Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, the FEMA, the FEMA Rules, the SEBI ICDR Regulations, the SEBI LODR Regulations and the guidelines, notifications, circulars and regulations issued by SEBI, the RBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with Stock Exchange and the terms and conditions as stipulated in the Allotment Advice.

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations and SEBI Master Circular, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided their Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Investors can access this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable laws) on the websites of:

- (i) our Company at www.enbeetrade.com;

- (ii) the Registrar at <https://rights.cameoindia.com/enbeetrade>;
- (iii) the Lead Manager at www.saffronadvisor.com; and
- (iv) the Stock Exchange at www.bseindia.com.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., <https://rights.cameoindia.com/enbeetrade>) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.enbeetrade.com).

Further, our Company along with the Lead Manager will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible. Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for not sending the physical copies of Issue materials, including this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

The distribution of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer is being filed with the Stock Exchange. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with the Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed. Accordingly, persons receiving a copy of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates or the Lead Manager or its affiliates to any filing or registration requirement (other than in India). If this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form.

Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or the Lead Manager or its affiliates to make any filing or registration (other than in India).

Our Company is undertaking the Issue on a rights basis to the Eligible Equity Shareholders and will send this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Application Form and other applicable Issue materials primarily to email addresses of Eligible Equity Shareholders who have provided a valid email addresses and an Indian address to our Company.

This Draft Letter of Offer is being provided, primarily through e-mail, by the Registrar on behalf of our Company or the Lead Manager to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Master Circular, all Investors desiring to make an Application in the Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in the Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see “- *Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*” on page 166 of this Draft Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in the Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, see “- *Grounds for Technical Rejection*” on page 162 of this Draft Letter of Offer.

Our Company, the Lead Manager, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in the Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in the Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “- *Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 158 of this Draft Letter of Offer.

- *Options available to the Eligible Equity Shareholders*

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to. Details of each of the Eligible Equity Shareholders’ Rights Entitlement will be sent to the Eligible Equity shareholder separately along with the Application Form and would also be available on the website of the Registrar to the Issue at <https://rights.cameoindia.com/enbeetrade> and link of the same would also be available on the website of our Company at www.enbeetrade.com. Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

If the Eligible Equity Shareholder applies in the Issue, then such Eligible Equity Shareholder can:

1. apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
2. apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
3. apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or

4. apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or
5. renounce its Rights Entitlements in full.

Making of an Application through the ASBA process

An Investor, wishing to participate in the Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in the Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34. Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in the Issue and clear demarcated funds should be available in such account for such an Application.

The Lead Manager, our Company, their directors, employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

Do's:

- (a) Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- (b) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (c) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (d) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (e) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- (f) Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.

- (g) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- (h) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.
- (i) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

Don'ts:

- (a) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- (b) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- (c) Do not send your physical Application to the Lead Manager, the Registrar, the Banker to the Issue, a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- (d) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- (e) Do not submit Application Form using third party ASBA account.
- (f) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (g) Do not submit multiple Applications.
- (h) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (i) Do not pay the Application Money in cash, by money order, pay order or postal order.

Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to the Issue on plain paper in case of non-receipt of Application Form as detailed above and only such plain paper applications which provide all the details required in terms of Regulation 78 of SEBI ICDR Regulations shall be accepted by SCSBs. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to the Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, the Stock Exchange or the Lead Manager.

An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently. The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Enbee Trade & Finance Limited;

2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue;
5. Number of Equity Shares held as on Record Date;
6. Allotment option – only dematerialised form;
7. Number of Rights Equity Shares entitled to;
8. Number of Rights Equity Shares applied for within the Rights Entitlements;
9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Rights Equity Shares applied for;
11. Total amount paid at the rate of ₹[●] per Rights Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE / FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
16. All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in “*Restrictions on Foreign Ownership of Indian Securities*” on page 179, of this Draft Letter of Offer and shall include the following:

“I/ We hereby make representations, warranties and agreements set forth in “Restrictions on Foreign Ownership of Indian Securities” on page 179 of the Draft Letter of Offer.

I/ We acknowledge that the Company, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the representations, warranties and agreements set forth therein.”

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at <https://rights.cameoindia.com/enbeetrade>.

Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.

Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in the Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two clear Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in the Issue:

- (a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two clear Working Days prior to the Issue Closing Date;
- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- (c) The remaining procedure for Application shall be same as set out in “- *Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 158 of this Draft Letter of Offer.

In accordance with the SEBI Master Circular, Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed to renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for Additional Rights Equity Shares while submitting the Application through ASBA process.

PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

Application for Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered, and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in “-*Basis of Allotment*” on page 173.

Eligible Equity Shareholders who renounce their Rights Entitlements in full or part, cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.

Investors to kindly note that after purchasing the Rights Entitlements through On Market Renunciation / Off Market Renunciation, an Application has to be made for subscribing to the Rights Equity Shares. If no such Application is made by the shareholder / renouncee on or before Issue Closing Date, then such Rights Entitlements will get lapsed and shall be extinguished after the Issue Closing Date and no Rights Equity Shares for such lapsed Rights Entitlements will be credited. For procedure of Application by shareholders who have purchased the Right Entitlement through On Market Renunciation / Off Market Renunciation, please refer to the heading titled “Procedure for Application through the ASBA process” on page 158 of this Draft Letter of Offer.

Additional general instructions for Investors in relation to making of an Application

- (a) Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process.
- (b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.

- (c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under “*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 158.
- (d) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by BSE.
- (e) Applications should not be submitted to the Banker to the Issue, our Company or the Registrar or the Lead Manager.
- (f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to the Issue shall be made into the accounts of such Investors.
- (g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, folio number, bank account details and occupation (“**Demographic Details**”) are updated, true and correct, in all respects. Investors applying under the Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under the Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. The Allotment Advice and the intimation on unblocking of ASBA Account or refund (if any) would be mailed to the address of the Investor as per the Indian address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be the sole risk of the Investors and none of our Company, the SCSBs, Registrar or the Lead Manager shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.
- (h) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- (i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- (j) Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.
- (k) In case of joint Applicants, reference, if any, will be made in the first Applicant’s name and all communication will be addressed to the first Applicant.
- (l) All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in the Issue quoting the name of the first/sole Applicant, folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- (m) Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- (n) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (o) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for the Issue as an incorporated non-resident must do so in accordance with the FDI Policy and FEMA Rules.

- (p) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

Grounds for Technical Rejection

Applications made in the Issue are liable to be rejected on the following grounds:

- (a) DP ID, folio number and Client ID mentioned in Application does not match with the DP ID, folio number and Client ID records available with the Registrar.
- (b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- (c) Sending an Application to our Company, the Lead Manager, Registrar, Banker to the Issue, to a branch of a SCSB which is not a Designated Branch of the SCSB.
- (d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- (f) Account holder not signing the Application or declaration mentioned therein.
- (g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- (h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- (i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- (k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer.
- (m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
- (n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- (p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and “qualified purchasers” (as defined under the U.S. Investment Company Act of 1940, as amended and referred to in this Draft Letter of Offer as “QPs”) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person, and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.
- (q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- (r) Application from Investors that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).
- (s) Applicants not having the requisite approvals to make application in the Issue.
- (t) **IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT’S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN**

THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

- (u) Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.
- (v) These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. By signing the Application Forms, the Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- (w) The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs or the Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.
- (x) In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.
- (y) Application forms supported by the amount blocked from a third party bank account.

Multiple Applications

In case where multiple Applications are made using same demat account in respect of the same Rights Entitlement, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further, additional applications in relation to additional Rights Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see “- Procedure for Applications by Mutual Funds” on page 164.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by our Promoter to meet the minimum subscription requirements applicable to the Issue as described in “General Information – Minimum Subscription” on page 49.

Procedure for Applications by certain categories of Investors

Procedure for Applications by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the multiple entities having common ownership, directly or indirectly, of more than 50% or common control) must be below 10% of our post- Issue Equity Share capital. Further, in terms of FEMA Rules, the total holding by each FPI shall be below 10% of the total paid-up equity share capital of a company on a fully-diluted basis and the total holdings of all FPIs put together shall not exceed 24% of the paid-up equity share capital of a company on a fully diluted basis.

Further, pursuant to the FEMA Rules the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions: (a) such offshore derivative instruments are transferred only to persons in accordance with the 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.

Procedure for Applications by AIFs, FVCIs, VCFs and FDI route

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in the Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in the Issue. Other categories of AIFs are permitted to apply in the Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCsBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in the Issue under applicable securities laws. As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

Applications made by asset management companies or custodians of Mutual Funds should clearly and specifically

state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Procedure for applications by Systemically Important NBFCs

In case of application made by Systemically Important NBFCs registered with the RBI, (i) the certificate of registration issued by the RBI under Section 45 –IA of the RBI Act, 1934 and (ii) networth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], [●], i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in “- Basis of Allotment” on page 173.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by BSE. Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

An Investor who has applied in the Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, applying through ASBA facility, may withdraw their Application post 5.00 p.m. (Indian Standard Time) on the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto. In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of four days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

- Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., <https://rights.cameoindia.com/enbeetrade>) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.enbeetrade.com).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under Issue for subscribing to the Rights Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e. <https://rights.cameoindia.com/enbeetrade>). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only.

Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, “**ENBEE TRADE & FINANCE LTD RIGHTS ISSUE SUSPENSE ESCROW DEMAT ACCOUNT**”) opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., by [●], [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in the Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard.

Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar is active to facilitate the aforementioned transfer.

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

- Renouncees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to the Issue shall apply to the Renouncee(s) as well.

- Renunciation of Rights Entitlements

The Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off market transfer.

- Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange (the “**On Market Renunciation**”); or (b) through an off market transfer (the “**Off Market Renunciation**”), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited / lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

In accordance with the SEBI Master Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two Working Days prior to Issue Closing Date, such that credit of REs in their demat account takes place at least one day before Issue Closing Date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

- Payment Schedule of Rights Equity Shares

₹[●] per Rights Equity Share (including premium of ₹[●] per Rights Equity Share) shall be payable on Application.

The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

(a) On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock-broker in the same manner as the existing Equity Shares of our Company. In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Master Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the the Stock Exchange under ISIN: [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●], [●] to [●], [●] (both days inclusive). The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN: [●] and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of the Stock Exchange under automatic order matching mechanism and on T+1 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

(b) Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only. Eligible Equity Shareholders are requested to ensure that renunciation through off market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date to enable Renounees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off market transfer shall be as specified by the NSDL and CDSL from time to time.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

V. MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

The Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Draft Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company in accordance with sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in the Issue.

Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renounees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

VI.BASIS FOR THE ISSUE AND TERMS OF THE ISSUE

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, see “*The Issue*” beginning on page 43.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Rights Equity Shares or not in the multiple of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their rights entitlement, if any.

For example, if an Eligible Equity Shareholder holds [●] Equity Shares, such Equity Shareholder will be entitled to [●] Equity Share and will also be given a preferential consideration for the Allotment of one Additional Rights Equity Share if such Eligible Equity Shareholder has applied for Additional Rights Equity Shares, over and above his/her Rights Entitlements, subject to availability of Rights Equity Shares in the Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than [●] Equity Shares shall have ‘zero’ entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

Ranking

The Rights Equity Shares to be issued and Allotted pursuant to the Issue shall be subject to the provisions of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI LODR Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under the Issue shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.

Listing and trading of the Rights Equity Shares to be issued pursuant to the Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on BSE. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to the Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through its letter bearing reference number [●] dated [●]. The Equity Shares of our Company have not been listed on NSE. Our Company will apply to the Stock Exchange for final approval for the listing and trading of the Rights Equity Shares subsequent to its Allotment.

No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof. The existing Equity Shares are listed and traded on BSE Limited (Scrip Code: 512441) under the ISIN: INE993I01011. The Equity Shares of our Company have not been listed on NSE. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange.

Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to the Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from BSE, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from BSE, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within four days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

- Subscription to the Issue by our Promoter and members of the Promoter Group

For details of the intent and extent of subscription by our Promoter, see “*Capital Structure – Intention and extent of participation by our Promoter and Promoter Group in the Issue*” on page 50.

VII. GENERAL TERMS OF THE ISSUE

- Market Lot

The Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Equity Shares in dematerialised mode is one Equity Share.

- Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in the Issue.

- Nomination

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be Allotted in the Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

- Arrangements for Disposal of Odd Lots

The Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Equity Share and hence, no arrangements for disposal of odd lots are required.

- Restrictions on transfer and transmission of shares and on their consolidation/splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI LODR Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not effected unless the securities are held in the dematerialized form with a depository.

- Notices

In accordance with the SEBI ICDR Regulations and the SEBI Master Circular, and MCA General Circular No. 21/2020 dated May 11, 2020, our Company will send through email and speed post, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only

to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one regional Marathi daily newspaper with wide circulation (Marathi also being the regional language in the place where our Registered is located).

This Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the the Stock Exchange for making the same available on its website.

- *Offer to Non-Resident Eligible Equity Shareholders/Investors*

As per Rule 7 of the FEMA Rules, RBI has given general permission to a person resident outside India and having investment in an Indian company to make investment in rights equity shares issued by such company subject to certain conditions. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, subject to the conditions set out therein (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice.

If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at priya@cameoindia.com. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and the Lead Manager and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares may be permitted under laws of such jurisdictions. Eligible Equity Shareholders can access this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, the Lead Manager and the Stock Exchange.

Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis. In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened.

Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Manager.

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THE ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE “- ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 174.

VIII. ISSUE SCHEDULE

Issue Opening Date	[●]
Last date for receiving requests for Application Form and Rights Entitlement Letter#	[●]
Issue Closing Date	[●]
Finalising the basis of allotment with the Designated Stock Exchange	[●]
Date of Allotment (on or about)	[●]
Initiation of refunds	[●]
Date of credit (on or about)	[●]
Date of listing (on or about)	[●]

**Our Board may, however, decide to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).*

***Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company, the Lead Manager and/or the Registrar to the Issue will not be liable for any loss on account of non-submission of Application Forms or on before the Issue Closing Date.*

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

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

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

- (a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part, as adjusted for fraction entitlement.
- (b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- (c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of the Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
- (d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.

- (e) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in the Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Banker to the Issue to refund such Applicants.

X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of on or before 15 days from issue closing date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 15 day period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

XI. PAYMENT OF REFUND

- Mode of making refunds

In case of Applicants not eligible to make an application through ASBA process, the payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through unblocking amounts blocked using ASBA facility.

- Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

- *Receipt of the Rights Equity Shares in Dematerialized Form*

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THE ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES FORM/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates: tripartite agreements dated January 11, 2008 and February 25, 2008 amongst our Company, NSDL and CDSL, respectively, and the Registrar to the Issue.

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in the Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with Investor Education and Protection Fund (IEPF) authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, through physical dispatch.
7. Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in the Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

8. Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.
9. Resident Eligible Equity Shareholders, who hold Equity Shares in physical form and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- (i) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (ii) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (iii) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 10 lacs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. Where such fraud (i) involves an amount which is less than ₹ 10 lacs or 1% of the turnover of the Company, whichever is lower, and (ii) does not involve public interest, then such fraud is punishable with imprisonment for a term extending up to five years or fine of an amount extending up to ₹ 50 lacs or with both.

Utilization of Issue Proceeds

Our Board of Directors declares that:

- (a) All monies received out of the Issue shall be transferred to a separate bank account;
- (b) Details of all monies utilized out of the Issue shall be disclosed, and shall continue to be disclosed until the time any part of the Issue Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
- (c) Details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
- (d) Our Company may utilize the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

Undertakings by our Company

Our Company undertakes the following:

- (i) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.
- (ii) All steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Rights Equity Shares are to be listed will be taken within the time prescribed by the SEBI.
- (iii) The funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.

- (iv) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- (v) Other than any Equity Shares that may be issued pursuant to exercise options under the ESOP 2016 and ESOP 2018, no further issue of securities affecting our Company's Equity Share capital shall be made until the Rights Equity Shares are listed or until the Application Money is refunded on account of non-listing, under subscription etc.
- (vi) In case of unblocking of the application amount for unsuccessful Applicants or part of the application amount in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- (vii) Adequate arrangements shall be made to collect all ASBA Applications and to consider them similar to non-ASBA Applications while finalizing the Basis of Allotment.
- (viii) At any given time, there shall be only one denomination for the Rights Equity Shares of our Company.
- (ix) Our Company shall comply with all disclosure and accounting norms specified by the SEBI from time to time.
- (x) Our Company accepts full responsibility for the accuracy of information given in this Draft Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Draft Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

Minimum Subscription

The objects of the Issue involve financing other than financing of capital expenditure for a project and our Promoter and members of our Promoter Group have, *vide* their letters dated August 6, 2024 (the "**Subscription Letters**") undertaken to : (a) subscribe, jointly and/ or severally to the full extent of their Rights Entitlements and subscribe to the full extent of any Rights Entitlements that may be renounced in their favour by any the Promoter or member(s) of the Promoter Group of our Company; and (b) subscribe to, either individually or jointly and/ or severally with the Promoter or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue which shall be adjusted against the unsecured loan of the promoter or promoter group.

Further, the Promoter and Promoter Group have *vide* their letters dated August 6, 2024 informed the Board that their individual shareholding shall not exceed 25% of post rights issue paid up capital of the Company.

The additional subscription by the Promoter and Promoter Group shall be made subject to such additional subscription not resulting in the minimum public shareholding of the issuer falling below the level prescribed in LODR/ SCRR and in compliance with SEBI SAST Regulations, 2011, as amended. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

Filing

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

Withdrawal of the Issue

Subject to provisions of the SEBI ICDR Regulations, the Companies Act and other applicable laws, our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date, a public notice within two (2) Working Days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisement has appeared and the Stock Exchange will also be informed promptly.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchange.

If our Company withdraws the Issue at any stage including after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh offer document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Important

Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form, the Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of the Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected. It is to be specifically noted that this Issue of Rights Equity Shares is subject to the risk factors mentioned in “*Risk Factors*” on page 21.

All enquiries in connection with this Draft Letter of Offer or the Application Form and the Rights Entitlement Letter must be addressed (quoting the Registered Folio Number or the DP and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed “*Enbee Trade & Finance Limited – Rights Issue*” on the envelope to the Registrar at the following address:

Cameo Corporate Services Limited

Subramanian Building, No. 01,
Club House Road, Chennai- 600 002,
Tamil Nadu, India.

Telephone: +91- 44 – 4002 0700

Facsimile: N.A.

E-mail: rights@cameoindia.com

Website: www.cameoindia.com/ <https://rights.cameoindia.com/enbeetrade>

Investor Grievance e-mail: investor@cameoindia.com

Contact Person: K. Sreepriya

SEBI Registration No.: INR000003753

Validity of Registration: Permanent

The Issue will remain open for a minimum period of 7 (seven) days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

The Investors can visit following links for the below-mentioned purposes:

- (a) Frequently asked questions are available on the website of the Registrar (<https://rights.cameoindia.com/enbeetrade>) or call helpline numbers (+91-44-4002 0700 (5 Lines)) and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors;
- (b) Updation of email address/ mobile number in the records maintained by the Registrar or our Company: <https://rights.cameoindia.com/enbeetrade>
- (c) Updation of Indian address can be sent to Registrar at email id priya@cameoindia.com or by way of Registered post/Courier at Cameo Corporate Services, No 1 Subramaniam Building, Club House Road, Chennai – 600002
- (d) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: <https://rights.cameoindia.com/enbeetrade>.
- (e) Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders at investor@cameoindia.com

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“**FDI**”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“**DPIIT**”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2017 (“**FDI Circular 2017**”), which, with effect from August 28, 2017, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on August 28, 2017. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2017 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict between FEMA and such policy pronouncements, FEMA prevails. The Consolidated FDI Policy, issued by the DIPP, consolidates the policy framework in place as on August 27, 2017, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore the Consolidated FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the existing policy of the Government of India, erstwhile OCBs cannot participate in this Issue.

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

SECTION VIII – STATUTORY AND OTHER INFORMATION

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialized form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two (2) working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date i.e. [●], [●].

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, would be available on the website of the Company at www.enbeetrade.com from the date of this Draft Letter of Offer until the Issue Closing Date.

1. Material Contracts for the Issue

- (i) Issue Agreement dated February 29, 2024 entered into between our Company and the Lead Manager.
- (ii) Registrar Agreement dated March 5, 2024 entered into amongst our Company and the Registrar to the Issue.
- (iii) Escrow Agreement dated [●] amongst our Company, the Lead Manager, the Registrar to the Issue and the Bankers to the Issue.

2. Material Documents

- (i) Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.
- (ii) Annual Reports of the Company for the past five years.
- (iii) Certificate of incorporation dated July 24, 1985.
- (iv) Certificate of commencement of business dated August 6, 1985.
- (v) Resolution of the Board of Directors dated January 06, 2024, read with the resolution passed by the Rights Issue Committee in its meeting held on August 10, 2024, in relation to the Issue.
- (vi) Resolution of the Rights Issue Committee dated August 10, 2024 approving and adopting this Draft Letter of Offer.
- (vii) Resolution of the Rights Issue Committee dated [●] approving and adopting the Letter of Offer.
- (viii) Resolution of the Rights Issue Committee dated [●], finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio.
- (ix) Consent of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Lead managers, Bankers to the Issue*, Legal Advisor, the Registrar to the Issue for inclusion of their names in the Draft Letter of Offer in their respective capacities.
**To be obtained at the time of filing of the Letter of Offer.*
- (x) The examination reports dated July 22, 2024 of the Statutory Auditor, on our Company's Restated Financial Statements, included in this Draft Letter of Offer.
- (xi) Statement of Tax Benefits dated August 10, 2024 from the Statutory Auditor included in this Draft Letter of Offer.
- (xii) Tripartite Agreement dated January 11, 2008 between our Company, NSDL and the Registrar to the Issue.
- (xiii) Tripartite Agreement dated February 25, 2008 between our Company, CSDL and the Registrar to the Issue.
- (xiv) In principle listing approval dated [●] issued by BSE.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Amarr Narendra Galla
(Chairman and Managing Director)

Sd/-

Ssamta Amar Gaala
(Whole-time Director)

Sd/-

Akash Shailesh Gangar
(Independent Director)

Sd/-

Jayesh Gulabbhai Patel
(Independent Director)

Sd/-

Rakeshkumar Dinesh Sharma
(Independent (Additional) Director)

SIGNED BY OUR CHIEF FINANCIAL OFFICER

Sd/-

Mehul Narendra Gala

Place: Mumbai

Date: August 10, 2024