VERITAS FINANCE LIMITED

CORPORATE IDENTITY NUMBER: U65923TN2015PLC100328

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
SKCL Central Square 1 South and North Wing 7th Floor, Unit # C28 - C35, CIPET Road Thiru Vi Ka Industrial Estate, Guindy Chennai 600 032, Tamil Nadu, India	V. Aruna *Company Secretary and Compliance Officer*	**Email:** cs@veritasfin.in **Telephone:** +91 044 4615 0011	www.veritasfin.in

OUR COMPANY IS A PROFESSIONALLY MANAGED COMPANY AND DOES NOT HAVE AN IDENTIFIABLE PROMOTER

DETAILS OF THE OFFER

TYPE	FRESH ISSUE SIZE^	OFFER FOR SALE SIZE	TOTAL OFFER SIZE^	ELIGIBILITY AND SHARE RESERVATION AMONG QUALIFIED INSTITUTIONAL BIDDERS, RETAIL INDIVIDUAL BIDDERS, NON-INSTITUTIONAL BIDDERS AND ELIGIBLE EMPLOYEES
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹ 9,000.00 million	Up to 12,827,093 Equity Shares of face value of ₹10 each aggregating up to [●] million	Up to [●] Equity Shares of face value of ₹10 each aggregating up to [●] million	The Offer is being made pursuant to Regulation 6 (1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"). For further details, see *"Other Regulatory and Statutory Disclosures – Eligibility for the Offer"* on page 443 of the Draft Red Herring Prospectus.. For details in relation to the share reservation among Qualified Institutional Buyers ("**QIBs**"), Retail Individual Bidders ("**RIBs**"), Non-Institutional Bidders ("**NIBs**") and Eligible Employees (*as defined hereinafter*), see "*Offer Structure*" on page 465 of the Draft Red Herring Prospectus.

DETAILS OF THE OFFER FOR SALE

NAME OF THE SELLING SHAREHOLDERS	TYPE	NUMBER OF EQUITY SHARES OFFERED / AMOUNT (₹ IN MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)#
Lok Capital Growth Fund	Investor Selling Shareholder	Up to 6,454,366 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] million	92.56
British International Investment plc	Investor Selling Shareholder	Up to 3,700,000 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] million	82.85
D. Arulmany	Individual Selling Shareholder	Up to 1,500,000 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] million	145.38
Growth Catalyst Partners LLC	Investor Selling Shareholder	Up to 672,727 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] million	330.00

Vidya Arulmany	Individual Selling Shareholder	Up to 500,000 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	10.00

[#]As certified by R P S V & Co., Chartered Accountants, by way of their certificate dated July 29, 2026.
For further details, see "The Offer" beginning on page 65.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each. The Floor Price, Cap Price and Offer Price as determined by our Company, in consultation with the Book Running Lead Managers ("**BRLMs**"), and on the basis of assessment of market demand for the Equity Shares by way of the Book Building Process, in accordance with the SEBI ICDR Regulations and as stated in *"Basis for Offer Price"* beginning on page 124 of the Draft Red Herring Prospectus. should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, Bidders must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have neither been recommended, nor approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 23 of the Draft Red Herring Prospectus..

COMPANY'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

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

Each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms only the statements expressly and specifically made by such Selling Shareholders in the Draft Red Herring Prospectus to the extent of information specifically pertaining to them and their respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each of the Selling Shareholders assumes no responsibility, as a Selling Shareholder, for any other statement in the Draft Red Herring Prospectus, including, inter alia, any of the statements made by or relating to our Company or our Company's business or any other Selling Shareholder.

LISTING

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

BOOK RUNNING LEAD MANAGERS

NAME AND LOGO OF THE BRLMS		CONTACT PERSON	TELEPHONE AND E-MAIL
ICICI Securities	ICICI Securities Limited	Ramesh Vaswana / Shri Subramanyam	**Tel**: +91 22 6807 7100 **E-mail:** veritasfinance.ipo@icicisecurities.com
IIFL CAPITAL	IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*	Mansi Sampat/ Pawan Kumar Jain	**Tel:** +91 22 4646 4728 **E-mail:** veritas.ipo@iiflcap.com
JM Financial	JM Financial Limited	Prachee Dhuri	**Tel:** + 91 22 6630 3030 **E-mail:** veritas.ipo@jmfl.com
SBICAPS	SBI Capital Markets Limited	Sylvia Mendonca / Prashant Patankar	**Tel:** +91 22 4006 9807 **E-mail:** veritas.ipo@sbicaps.com

REGISTRAR TO THE OFFER

NAME OF THE REGISTRAR	CONTACT PERSON	E-MAIL AND TELEPHONE
KFin Technologies Limited	M. Murali Krishna	**Tel**: +91 40 6716 2222 **E-mail:** veritas.ipo@kfintech.com

BID/ OFFER PERIOD

ANCHOR INVESTOR BID/ OFFER PERIOD	[●][(1)]
BID/OFFER OPENS ON	[●]
BID/OFFER CLOSES ON	[●][(2)*]

(1) *Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date.*

(2) *Our Company, in consultation with the BRLMs, may consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.*

^ *Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement of Specified Securities aggregating up to ₹ 1,800.00 million, as may be permitted under applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

* *The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Date.*

IN THE NATURE OF DRAFT ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE DRAFT RED HERRING PROSPECTUS

Please scan this QR code to view the Draft Red Herring Prospectus and the Draft Abridged Prospectus

The following is a general summary of certain disclosures in the Draft Red Herring Prospectus and the terms of the Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in the Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing in the Draft Red Herring Prospectus, which is available at the websites of SEBI at www.sebi.gov.in, BSE Limited at www.bseindia.com, National Stock Exchange of India Limited at www.nseindia.com, the Company at www.veritasfin.in and the BRLMs at www.icicisecurities.com, www.iiflcapital.com, www.jmfl.com, and www.sbicaps.com

References below to page numbers are to page numbers of the Draft Red Herring Prospectus dated July 29, 2026. Unless otherwise specified all capitalised terms used herein and not specifically defined bear the same meaning as ascribed to them in the Draft Red Herring Prospectus.

1. Summary of the primary business

Established in 2015, our Company is a non-deposit taking non-banking financial company ("**NBFC**") registered with the Reserve Bank of India ("**RBI**"), and is classified as an 'NBFC-Middle Layer' under the scale-based regulations of the RBI. As a diversified, retail-focused NBFC, we primarily provide small business loans to micro, small and medium enterprises ("**MSMEs**") and self-employed individuals, and over the years, have expanded our business to include home loans and used commercial vehicle loans. We focus on addressing the financial needs of underserved and underbanked MSMEs and individuals by providing access to credit through four businesses: (i) Rural Business Loans; (ii) Affordable Home Loans; (iii) Used Commercial Vehicle Loans; and (iv) Working Capital Loans (Unsecured). As of March 31, 2026, our Loans (AUM) aggregated to ₹91,342.93 million across 231,752 active borrowers, and we operated a network of 444 branches (excluding service centres) across 10 states and 1 union territory in India.

a. Business Overview - products or services offered by our Company

We provide loans to our target borrowers for business purposes, asset creation and personal requirements through the following four businesses:

- *Rural Business Loans*: comprising small business loans and home construction loans offered as secured loans (with self-occupied residential property generally as collateral) to borrowers in rural and semi-urban regions, with average loan tenures ranging from three to ten years. During the Financial Year 2026, loans offered under this business had a sanctioned average ticket size of ₹0.53 million and an average yield based on disbursements of 21.86%.

- *Affordable Home Loans*: offered since October 2022, comprising secured housing loans to borrowers primarily located in semi-urban and rural regions for affordable housing purchases or construction, with loan tenures ranging from five to twenty years. For the Financial Year 2026, these loans had a sanctioned average ticket size of ₹1.16 million and an average yield based on disbursements of 16.29%.

- *Used Commercial Vehicle Loans*: offered since March 2024, comprising secured used commercial vehicle loans (secured by a hypothecation charge over the vehicle) to borrowers in urban, semi-urban and rural regions, with tenures usually of one to five years. For the Financial Year 2026, these loans had a sanctioned average ticket size of ₹0.59 million and an average yield based on disbursements of 18.56%.

- *Working Capital Loans (Unsecured)*: comprising unsecured short-term working capital loans to MSMEs in urban and semi-urban areas, with loan tenures ranging from one to three years (with weekly or monthly repayment instalment schedules). For the Financial Year 2026, these loans had a sanctioned average ticket size of ₹0.18 million and an average yield based on disbursements of 27.35%.

The table below sets forth details of our Loans (AUM) attributable to each business as of the dates indicated:

Loans (AUM) of the business	As of March 31,					
	2026		2025		2024	
	Loans (AUM)[(1)]	*% of total Loans (AUM)*	*Loans (AUM)[(1)]*	*% of total Loans (AUM)*	*Loans (AUM)[(1)]*	*% of total Loans (AUM)*
	(₹ in millions, except for %)					
Rural Business Loans	59,067.72	64.67%	50,977.11	69.37%	42,892.64	74.94%
Affordable Home Loans	19,524.91	21.38%	14,086.31	19.17%	8,242.97	14.40%
Used commercial vehicle loans	8,246.77	9.02%	3,254.88	4.43%	2.17	0.00%
Working Capital Loans (Unsecured)	4,503.53	4.93%	5,168.13	7.03%	6,100.09	10.66%
Total	**91,342.93**	**100.00%**	**73,486.43**	**100.00%**	**57,237.87**	**100.00%**

(1) Loans (AUM) is the aggregate of Loans and Impairment loss allowance – loans.

b. *Industries served and typical customers or clients of our Company*

We operate in the retail lending and financial services industry in India, and serve borrowers lacking access to formal financing channels and formal documentation, primarily in rural and semi-urban markets. Our typical customers across our businesses are as follows:

- *Rural Business Loans*: self-employed individuals, traders, wholesalers and retailers, skilled and semi-skilled professionals, salaried individuals in the unorganized sector and micro and small enterprises located in rural regions, generally with a monthly income ranging between ₹25,000 – ₹80,000 and limited or no prior formal credit history.

- *Affordable Home Loans*: low income self-employed and salaried borrowers, and non-resident Indians.

- *Used Commercial Vehicle Loans*: drivers turning owners, small transportation operators (who are first time borrowers), as well as agriculture and construction businesses purchasing used commercial vehicles for goods and agricultural transport.

- *Working Capital Loans (Unsecured)*: shopkeepers, restaurant owners, hardware store owners, and other business owners with daily cash flows and prior credit history, including loans specifically targeted at women entrepreneurs.

c. *Segment reporting and revenue contribution*

Our Company operates in a single reportable segment, i.e., lending to borrowers, which has similar risks and returns for the purposes of Ind AS 108 – Operating Segments. Accordingly, no separate segment information has been presented in the Restated Summary Statements.

d. *Key geographies served*

As of March 31, 2026, we had a network of 444 branches and 67 service centres across 10 states and 1 union territory in India, with a well-established presence in Tamil Nadu, Andhra Pradesh, Telangana, Karnataka and West Bengal, which collectively accounted for 83.78% of our total branches, 91.63% of our total disbursements and 91.36% of our total Loans (AUM), as of and for the Financial Year 2026.

e. *Revenue concentration among top 5 customers*

As a retail-focused NBFC, we have a wide and granular borrower base, comprising 231,752 active borrowers as of March 31, 2026, and do not have any material dependence on any particular borrower. Accordingly, revenue concentration among our top five customers is not material to our business.

f. Key manufacturing or other facilities

We are a non-banking financial company and do not own or operate any manufacturing facilities

g. Business strengths and strategies

Strengths

We believe our competitive strengths are:

- Fast growing, diversified, granular and largely secured portfolio;
- Widespread, deep and largely in-house distribution network serving borrowers in rural and semi-urban markets with multiple new businesses using our existing distribution footprint;
- Data-driven credit assessment and robust risk management framework with a multilayered collection ecosystem;
- Technology-enabled scalable and resilient operating model resulting in short turnaround times and control over operational metrics;
- Access to diversified and cost-effective sources of funding backed by a broad lender base; and
- Professional and experienced management team with deep domain expertise, backed by marquee investors and guided and supported by a distinguished Board.

Strategies

Our key strategies are to:

- Continue to grow our Rural Business Loans business;
- Further diversify our loan portfolio by growing new lines of businesses catering to our large MSME borrower base;
- Deepening our presence in existing markets and balanced growth into newer geographies;
- Further diversify our sources of funds and widen our financing base; and
- Continue to invest in technology and data analytics to improve productivity, operational efficiencies and enhance the borrower experience.

h. Summary of the Industry *(Source: CRISIL Report)*

Macroeconomic overview

India is expected to be the fastest-growing large economy in the world despite geopolitical uncertainties, having demonstrated resilience to external shocks such as U.S. tariffs on account of diversified trade partnerships and robust foreign exchange reserves. CRISIL Intelligence expects real GDP growth to moderate to 6.6% in Fiscal 2027, with GDP expected to clock a CAGR of 6.0-7.0% over the next four years.

Financial inclusion and systemic credit

While the share of the adult population with an account with a bank, financial institution or mobile money provider increased to 89% in 2024 from 53% in 2014, only 15% of Indians borrowed from formal sources in calendar year 2024, indicating significant under-penetration. Systemic credit reached approximately ₹221.88 trillion in Fiscal 2026, clocking a CAGR of 15.01% from Fiscal 2023, and is expected to grow at a CAGR of 13-14% to ₹320-330 trillion by Fiscal 2029.

NBFC sector

NBFCs have carved out a niche by catering to customers in regions that are underbanked or ignored by traditional financial institutions. NBFC AUM clocked a 17.5% CAGR over Fiscals 2024 to 2026 to reach ₹57.88 trillion, and NBFC credit is expected to grow 17-18% over Fiscals 2026 to 2029, outpacing banks due to greater flexibility in lending to underserved segments. MSME credit accounted for approximately 23% of NBFC credit as of March 31, 2026.

MSME credit

MSMEs accounted for approximately 31.1% of GDP, 48.58% of exports and 35.4% of manufacturing output. MSME credit demand was estimated at approximately ₹192 trillion as of Fiscal 2026, of which only 26-27% was met through formal financing, with the credit gap estimated at ₹100 trillion. The total MSME lending market stood at approximately ₹49 trillion as of March 31, 2026. The secured MSME loan segment registered a CAGR of 22.73% from Fiscal 2024 to Fiscal 2026 to reach approximately ₹15.4 trillion, and is expected to grow at a CAGR of 18-19% between Fiscal 2026 and Fiscal 2029. NBFCs focusing on ticket sizes of less than ₹0.5 million, primarily serving borrowers with limited or no formal credit history, benefit from a larger addressable market.

Affordable housing finance

India faces an estimated housing shortage of 61.10 million units in 2025, expected to increase to 64.00 million units by 2030, with the mortgage-to-GDP ratio at 18.54% as of March 31, 2026. Affordable housing finance (ticket sizes below ₹2.5 million) remains structurally underpenetrated and is projected to expand at a CAGR of 5.00-7.00% through Fiscal 2029, with the share of NBFCs growing at a CAGR of 32.60% between Fiscals 2024 and 2026, outpacing all other lender segments.

Used commercial vehicle financing

Used commercial vehicles on road are estimated at approximately 1.57 million as of March 31, 2026, with a used-to-new ratio of approximately 1.65 times. The potential financing market for used CVs (excluding M&HCVs) is estimated at ₹800 billion to ₹1,000 billion by Fiscal 2027. NBFCs accounted for the highest share of commercial vehicle finance outstanding (approximately 59.2%) as of March 31, 2026

2. Promoters

Our Company is a professionally managed company and does not have any identifiable promoter in terms of the SEBI ICDR Regulations and the Companies Act.

Object of the Offer

Our Company proposes to utilize the Net Proceeds from the Offer in the following manner:

Particulars	Estimated amount (₹ in million)
Gross Proceeds of the Fresh Issue	9,000.00
(Less) Offer related expenses to be borne by our Company in relation to the Fresh Issue	([●])
Net Proceeds[(1)(2)]	[●]

1. *Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement of Specified Securities aggregating up to ₹ 1,800.00 million, as may be permitted under applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. . Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

2. *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

Our Company will not receive any proceeds from the Offer for Sale. The proceeds from the Offer for Sale will be received by the respective Selling Shareholders after deduction of their respective portion of the Offer-related expenses and the relevant taxes thereon, as applicable, to be borne by the respective Selling Shareholders.

For further details, see "*Objects of the Offer*" on page 118 of the Draft Red Herring Prospectus..

3. Pre-Offer and Post-Offer Shareholding of our top 10 Shareholders and other public shareholders

Except as disclosed below, none of the additional top 10 shareholders and other public shareholders hold any Equity Shares in our Company as at the date of the Draft Red Herring Prospectus and as at the date of Allotment is as follows:

S. No.	Pre-Offer shareholding as at the date of the Draft Red Herring Prospectus			Post-Offer shareholding as at the date of Allotment^			
	Name of the shareholder	Number of Equity Shares*	Shareholding (in %)	At the lower end of the price band (₹[●])		At the upper end of the price band (₹[●])	
				Number of Equity Shares*	Shareholding (in %)*	Number of Equity Shares*	Shareholding (in %)*
Top 10 shareholders							
1.	Norwest Venture Partners X – Mauritius[#]	28,750,308	21.58	[●]	[●]	[●]	[●]
2.	Kedaara Capital Fund II LLP	20,087,374	15.08	[●]	[●]	[●]	[●]
3.	British International Investment plc	13,760,568	10.33	[●]	[●]	[●]	[●]
4.	D. Arulmany	12,449,491	9.35	[●]	[●]	[●]	[●]
5.	Lok Capital Growth Fund	10,757,276	8.08	[●]	[●]	[●]	[●]
6.	Multiples Private Equity Fund III	10,295,904	7.73	[●]	[●]	[●]	[●]
7.	Venus Investments Private Limited	10,295,904	7.73	[●]	[●]	[●]	[●]
8.	Avendus Future Leaders Fund II	3,865,271	2.90	[●]	[●]	[●]	[●]
9.	Evolvence India Fund III Ltd	3,387,371	2.54	[●]	[●]	[●]	[●]
10.	Sheela Pai Cole	3,364,247	2.53	[●]	[●]	[●]	[●]
Other Public Shareholders[@]							
11.	Other Public Shareholders	16,183,079	12.15	[●]	[●]	[●]	[●]
	Total	**133,196,793**	**100.00**				

** Includes all options that have been exercised until date of Prospectus and any transfers of equity shares by existing shareholders after the date of the pre-Offer and the Draft Red Herring Prospectus until date of Prospectus. Assuming all vested ESOPs as on date of the Draft Red Herring Prospectus are exercised. The post-Offer shareholding shall be updated in the Prospectus based on ESOPs exercised until such date.*

^ Assuming full subscription in the Offer. The post-Offer shareholding details as at Allotment will be based on the actual subscription and the Offer Price and updated in the Prospectus, subject to finalization of the Basis of Allotment. Further, assuming that there is no transfer of shares by the Shareholders between the date of the Price Band advertisement and Allotment, and if any such transfers occur prior to the date of Prospectus, it will be updated in the shareholding pattern in the Prospectus.

[#] While Norwest Venture Partners X – Mauritius holds 21.58 % of the issued and paid-up equity share capital of our Company on a fully diluted basis, its voting rights are capped at 4.99999% of any class of voting securities of our Company except in relation to certain limited matters. For details, see "History and Certain Corporate Matters –Shareholders' agreements and other agreements – Shareholders' agreements" on page 244 of the Draft Red herring prospectus.

@As on the date of the Draft Red Herring Prospectus, our Company has 73 other public Shareholders (based on beneficiary position statement available on July 29, 2026).

For further details of the Offer, see "*Capital Structure*" beginning on page 82 of the Draft Red Herring Prospectus..

4. Summary of Restated Summary Statements

The following details are derived from the Restated Summary Statements:

(₹ in millions)

Particulars	As on and for the Financial Year ended March 31, 2026	As on and for the Financial Year ended March 31, 2025	As on and for the Financial Year ended March 31, 2024
Equity Share capital	1,313.64	1,313.64	1,275.19
Other equity	29,955.14	26,518.11	22,020.35
Total Equity	**31,268.78**	**27,831.75**	**23,295.54**
Total Income(1)	18,486.04	15,574.00	11,174.93
Revenue from Operations	18,442.11	15,506.79	11,112.03
Profit for the year	3,303.95	2,951.12	2,450.52
EBITDA(2)	10,464.47	9,003.10	6,609.43
Earnings per share (basic) (₹) (3)	25.17	22.44	19.04
Earnings per share (diluted) (₹)(4)	24.99	22.25	18.86
Net Worth(5)	31,276.62	27,831.75	23,295.54
Net Asset Value per Equity Share(6) (₹)	238.24	212.00	182.68
Return on Net Worth(7) (%)	11.25	11.52	12.27
Total Borrowings	73,740.97	56,292.42	39,958.07
Net cash generated used in operating activities	(14,397.15)	(13,323.91)	(19,388.37)
Net cash generated from / (used in) investing activities	85.44	(3,711.87)	1,343.30
Net cash from financing activities	17,122.55	17,643.48	20,437.02

Notes:

(1) Total Income represents the sum of total revenue from operation and other income for the relevant fiscal year.

(2) EBITDA represents profit/(loss) for the year after adding back total tax expense, finance costs and depreciation and amortization of the relevant year

(3) Basic earnings per equity share is computed by dividing net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year

(4) Diluted earnings per equity share is computed and disclosed by dividing the net profit after tax attributable to the equity shareholders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

(5) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Accordingly, we have calculated Net Worth as aggregate of Equity share capital, Securities premium, Retained earnings, Statutory reserve as per Section 45-IC of the RBI Act, 1934 and Share options outstanding account.

(6) Net Asset Value Per Share is calculated as Net Worth as at the end of the relevant year divided by the aggregate of total number of equity shares outstanding at the end of such year.

(7) Return on Net Worth is calculated as the profit for the year as a percentage of average net worth in such year. Average Net Worth represents the simple average of net worth as at the last day of each of the four quarters of the relevant year and as of the last day of the preceding year.

For details of our other operating metrics disclosed elsewhere in the Draft Red Herring Prospectus, see "*Restated Summary Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 280 and 400, respectively of the Draft Red Herring Prospectus.

5. Summary of Key Performance Indicators

Details of the key performance for the Financial Years ended March 31, 2026, March 31, 2025, and March 31, 2024, are set forth below:

Particulars*	**Unit**	**As of and for the Financial Year**		
		2026	**2025**	**2024**
Number of states	Number	10	10	10
Number of branches	Number	444	438	382
Number of employees	Number	8,329	7,796	6,299
Loans (AUM)	₹ in millions	91,342.93	73,486.43	57,237.87
Loans (AUM) Growth#	%	24.30%	28.39%	61.98%
Disbursements	₹ in millions	45,795.33	39,331.24	37,024.30
Disbursements Growth#	%	16.43%	6.23%	64.94%
Business-wise Loans (AUM)				
Rural Business Loans	%	64.67%	69.37%	74.94%
Affordable Home Loans		21.38%	19.17%	14.40%
Used Commercial Vehicle Loans		9.02%	4.43%	0.00%
Working Capital Loans (Unsecured)		4.93%	7.03%	10.66%
Business-wise Disbursements				
Rural Business Loans	%	53.79%	54.58%	59.28%
Affordable Home Loans		18.51%	20.07%	20.26%
Used Commercial Vehicle Loans		15.29%	8.91%	0.01%
Working Capital Loans (Unsecured)		12.41%	16.44%	20.46%
Loans (AUM) per branch	₹ in millions	205.73	167.78	149.84
Loans (AUM) per sales manager	₹ in millions	24.03	21.52	18.11
Net worth	₹ in millions	31,276.62	27,831.75	23,295.54
Total income	₹ in millions	18,486.04	15,574.00	11,174.93
Profit for the year	₹ in millions	3,303.95	2,951.12	2,450.52
Earnings per share, par value of INR10 each – Basic	in INR	25.17	22.44	19.04
Yield on Average Loans (Average AUM)	%	21.22%	22.08%	22.70%
Average Cost of Borrowings	%	9.21%	9.94%	9.90%
Spread	%	12.01%	12.14%	12.80%
Net interest margin	%	14.06%	14.72%	15.83%
Cost to income ratio	%	33.92%	33.26%	35.18%
Operational expenses as a percentage of Average Loans (Average AUM)	%	7.78%	7.94%	8.67%
Credit costs as a percentage of Average Loans (Average AUM)	%	2.58%	2.63%	1.99%
Return on Loans (AUM)	%	4.10%	4.53%	5.40%
Return on Equity	%	11.25%	11.52%	12.27%
Gross Carrying Amount - Loans - Stage 3	%	2.48%	2.21%	1.79%
Net Carrying Amount - Loans - Stage 3	%	1.38%	1.10%	0.85%
Provision Coverage Ratio	%	44.85%	50.52%	53.14%
CRAR	%	33.19%	37.82%	41.49%
Debt to Equity ratio (times)	times	2.36	2.02	1.72
Credit Rating		"CARE AA-" with Stable Outlook	"CARE A+" with Positive Outlook	"CARE A+" with Stable Outlook

 # Year on year growth %

** All definitions are consistent with the explanations as provided under "– Explanation for the KPIs" on page 127 of the Draft Red Herring Prospectus..*

1. *Number of states represents the presence of the Company in number of states as of the last day of the relevant year*
2. *Number of branches represents the number of branches as of the last day of the relevant year, excluding service centres*
3. *Number of employees represents the number of employees as of the last day of the relevant year*

4. *Loans (AUM) represents aggregate of Loans and Impairment loss allowance – loans as of the last day of the relevant year*
5. *Loan (AUM) Growth represents percentage growth in Loans (AUM) for the relevant year over Loans AUM) of the previous year*
6. *Disbursements represent the aggregate of all loan amounts extended to customers in the relevant year*
7. *Disbursements Growth represents percentage growth in Disbursements for the relevant year over Disbursements of the previous year*
8. *Business-wise Loans (AUM) represents the split of loan portfolio into four businesses – Rural Business Loans, Affordable Home Loans, Used Commercial Vehicle Loans and Working Capital Loans (Unsecured)*
9. *Business-wise Disbursements represents the split of disbursements into four businesses – Rural Business Loans, Affordable Home Loans, Used Commercial Vehicle Loans and Working Capital Loans (Unsecured)*
10. *Loans (AUM) per branch is calculated as Loans (AUM) as of the last day of the relevant year divided by the number of branches as of the last day of the relevant year*
11. *Loans (AUM) per Sales manager is calculated as Loans (AUM) as of the last day of the relevant year divided by the number of sales managers as of the last day of the relevant year*
12. *Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Accordingly, we have calculated Net worth as aggregate of Equity share capital, Securities premium, Retained earnings, Statutory reserve as per Section 45-IC of the RBI Act, 1934 and share options outstanding account.*
13. *Total Income represents the sum of total revenue from operation and other income for the relevant fiscal year*
14. *Profit for the year represents profit before tax as reduced by total tax expenses for the relevant fiscal year.*
15. *Earnings per share represents the Basic Earnings per share for the year*
16. *Yield on Average Loans (Average AUM) represents the Interest income on loans for the relevant year as a percentage of Average Loans (Average AUM) in such year*
17. *Average Cost of Borrowings represents finance cost for the relevant year as a percentage of Average Total Borrowings in such year. Finance cost excludes interest expense on lease liabilities for the relevant year. Average Total Borrowings is the simple average of Total Borrowings outstanding as of the last day of each of the four quarters of the relevant year and as of the last day of the preceding year*
18. *Spread represents the Yield on Average Loans (Average AUM) reduced by Average Cost of Borrowings in such year*
19. *Net Interest Margin represents the Net Interest Income for the relevant year as a percentage of Average Loans (Average AUM) in such year. Net Interest Income represents Interest income on loans reduced by Finance cost excluding interest expense on lease liabilities for the relevant year*
20. *Cost to Income represents Operating Expenses, which include Employee Benefit Expense, Fee and Commission Expense, Depreciation & Amortization, Interest Expense on lease liabilities & Other Expenses for the relevant year to the Total Income for such relevant year*
21. *Operational Expenses as a percentage of Average Loans (Average AUM) represents the Operating Expense for the relevant year as a percentage of Average Loans (Average AUM) in such year. Operating Expenses represent the aggregate of Employee Benefit Expense, Fee and Commission Expense, Depreciation & Amortization, Interest Expense on lease liabilities & Other Expenses for the relevant year*
22. *Credit costs as a percentage of Average Loans (Average AUM) represents the credit cost for the relevant year as a percentage of Average Loans (Average AUM) in such year*
23. *Return on Loans (AUM) represents the Profit After Tax as a percentage of Average Loans (Average AUM) in such year*
24. *Return on Equity represents the profit After Tax as a percentage of Average Equity in such year. Average Equity is the simple average of Equity as of the last day of each of the four quarters of the relevant year and as of the last day of the preceding year*
25. *Gross Carrying Amount – Loans – Stage 3 represents Loans – Stage 3 as a percentage of total Loans (AUM) as of the last day of the relevant year*
26. *Net Carrying Amount – Loans – Stage 3 represents Stage 3 Loans (or Stage 3 AUM) reduced by Impairment loss allowance – Loans – Stage 3 as a percentage of total Loans (AUM) reduced by Impairment loss allowance – Loans – Stage 3 as of the last day of the relevant year*
27. *Provision Coverage ratio represents the Impairment loss allowance – Loans – Stage 3 as a percentage of Gross Carrying Amount – Loans – Stage 3*
28. *CRAR - Capital to Risk Weighted Assets ratio represents Capital Adequacy Ratio computed as per the relevant RBI guidelines*
29. *Debt to Equity ratio represents the Total Borrowings as of the last day of the relevant year as a percentage of Equity as of the last day of the relevant year*
30. *Credit rating issued by registered rating agency with the SEBI for long term bank facilities of the Company as at the last day of relevant fiscal year.*

For definitions of the above KPIs, see "*Definitions and Abbreviations – Key Performance Indicators*" on page 11 of the Draft Red Herring Prospectus. Further, for comparison with the listed peer(s) and more detailed disclosure on such KPIs, see "*Basis for Offer Price - Comparison of our KPIs with its Listed Industry Peers*" on page 130 of the Draft Red Herring Prospectus.

6. Risk Factors

The following are the top 10 internal risk factors as disclosed in the Draft Red Herring Prospectus

1. Our business involves exposure to high credit risk, first-time borrowers in under-served households and businesses in India (with such loans constituting 21.17% of our Loans (AUM) as of March 31, 2026). These borrowers may be adversely affected by economic and other factors that affect their income-earning capacity. Such factors could lead to increased customer defaults which could adversely affect our business, financial condition, results of operations and cash flows.

2. Non-payment or defaults by our borrowers may lead to increased levels of Gross Carrying Amount – Loans – Stage 3 (which aggregated to ₹2,264.00 million, ₹1,620.78 million and ₹1,025.97 million as of March 31, 2026, March 31, 2025 and March 31, 2024, respectively) and related provisioning and write-offs on our balance sheet, which could adversely affect our business, financial condition, results of operations and cash flows.

3. We require substantial funds for our business (our total borrowings as of March 31, 2026 were ₹73,740.97 million) and any disruption in our sources of funds could adversely affect our business, financial condition, results of operations and cash flows.

4. Changes in our loan-mix may adversely affect our financial metrics and asset quality, which could adversely affect our business, financial condition, results of operations and cash flows.

5. We operate in a highly regulated industry and changes in the applicable regulatory environment or our inability to comply with applicable regulations may adversely affect our business, financial condition, results of operations and cash flows

6. We are affected by volatility in interest rates for both our lending and treasury operations, which could cause our net interest income, net interest margin and other key financial ratios to vary and adversely affect our business, financial condition, results of operations and cash flows.

7. Our Working Capital – Unsecured loans (constituting 4.93% of our Loans (AUM) as of March 31, 2026) are unsecured and are susceptible to credit risks which may result in increased levels of Gross Carrying Amount – Loans – Stage 3, which could adversely affect our business, financial condition, results of operations and cash flows.

8. We are subject to periodic inspections by the Reserve Bank of India and a failure to address observations made by the Reserve Bank of India during such inspections could expose us to penalties and regulatory action, which could have an adverse effect on our reputation, business, results of operations, financial condition, and cash flows.

9. There are outstanding criminal proceedings initiated against our Company, and any adverse outcome in such criminal proceedings may adversely affect our business, reputation, financial condition, results of operations and cash flows.

10. We have recently expanded into affordable home loans and used commercial vehicle loans as new lines of business and if we are unable to grow these new businesses successfully or develop new businesses to address changing borrower needs, our business, reputation, financial condition, results of operations and cash flows may be adversely affected

For further details of the risks applicable to us, see "*Risk Factors*" beginning on page 23 of the Draft Red Herring Prospectus. Investors are advised to read the risk factors carefully before making an investment decision in the Offer.

7. **Weighted average cost of acquisition as on the date of the Draft Red Herring Prospectus at which the specified securities were acquired by the Selling Shareholders, within one year preceding the date of the Draft Red Herring Prospectus and within three years preceding the date of the Draft Red Herring Prospectus.**

   There have been no acquisitions of Equity Shares or CCPS by the Selling Shareholders within one year and three years preceding the date of the Draft Red Herring Prospectus.

8. **Board of Directors and Key Managerial Personnel**

   The names and designations of members of the Board of Directors and Key Managerial Personnel are set forth below:

S. No.	Name	Designation
Board of Directors		
1.	Raj Vikash Verma	Chairperson and Non-Executive Independent Director
2.	D. Arulmany*	Managing Director and Chief Executive Officer
3.	Prakash Rayen J*	Executive Director- Business and Operations (Whole Time Director)
4.	Priyamvada Ramkumar	Non-Executive Nominee Director(1)
5.	Parin Nalin Mehta	Non-Executive Nominee Director(2)
6.	Sudhir Narayanankutty Variyar	Non-Executive Nominee Director(3)
7.	Mathew Joseph	Non-Executive Independent Director
8.	Sankarson Banerjee	Non-Executive Independent Director
9.	Susan Thomas	Non-Executive Independent Director
Key Managerial Personnel		
1.	Naveen Raj R	Chief Financial Officer
2.	V Aruna	Company Secretary and Compliance Officer

(1) Nominee of Lok Capital Growth Fund
(2) Nominee of Kedaara Capital Fund II LLP
(3) Nominee of Multiples Private Equity Fund III

**Our Executive Directors are also Key Managerial Personnel in terms of the definitions of the Companies Act, 2013.*

For further details, see "*Our Management*" beginning on page 246 of the Draft Red Herring Prospectus.

11. **Auditor Qualifications**

There are no qualifications of the Statutory Auditors which has not been given effect to in the Restated Summary Statements.

12. **Summary table of outstanding litigations**

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

Category of individuals / entities	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Material civil litigation	Aggregate amount involved (₹ in million)[(1)]
Company					
By the Company	6,469	NA	NA	Nil	170.55[(2)]
Against the Company	12	2	Nil	Nil	11.13
Directors					
By the Directors	Nil	NA	NA	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil
Key Managerial Personnel					
By the Key Managerial Personnel	Nil	NA	Nil	NA	Nil
Against the Key Managerial Personnel	Nil	NA	Nil	NA	Nil
Senior Management Personnel					
By the Senior Management Personnel	Nil	NA	Nil	NA	Nil
Against the Senior Management Personnel	Nil	NA	Nil	NA	Nil

(1) To the extent quantifiable

(2) This includes (i) an aggregate amount of ₹112.12 million involving 3,994 proceedings initiated by our Company under the Negotiable Instruments Act, 1881; (ii) an aggregate amount of ₹58.43 million involving 1,188 proceedings initiated by our Company under the Bharatiya Nyaya Sanhita (Indian Penal Code).

For further details of the outstanding litigation proceedings, see "*Outstanding Litigation and Material Developments*" beginning on page 434 of the Draft Red Herring Prospectus.

The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States solely to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) pursuant to Section 4(a) of the U.S. Securities Act, and (ii) outside the United States in "offshore transactions", as defined in, and in compliance with, Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made.

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