

THE DRAFT RED HERRING PROSPECTUS IS NOT AN ADVERTISEMENT



IFL FINANCE LIMITED

Corporate Identity Number: U65910DL2015PLC285284

REGISTERED OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
D-16, First Floor, Above ICICI Bank Prashant Vihar, Sector-14, Rohini, North West, New Delhi, Delhi, India, 110085	Shivani Jindal <i>Company Secretary and Compliance Officer</i>	E-mail: info@iflfinanceltd.com Telephone: +91-1147096097	www.iflfinanceltd.com

OUR PROMOTERS: GOPAL BANSAL, SUNITA BANSAL AND INDIA FINSEC LIMITED

DETAILS OF THE OFFER TO THE PUBLIC

TYPE	FRESH ISSUE SIZE***	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBS, NIIS AND RIIS
Fresh Issue and Offer for Sale	Up to 35,500,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	Up to 3,000,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	Up to 38,500,000 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 187. For details in relation to the share allocation and reservation among Qualified Institutional Buyers (“QIBs”), Retail Individual Bidders (“RIBs”) and Non-Institutional Bidders (“NIBs”), see “Offer Structure” beginning on page 206.

DETAILS OF THE OFFER FOR SALE

Name of the Selling Shareholder	Type	Number / Amount of Equity Shares Offered	Weighted Average Cost of Acquisition (in ₹ per Equity Share) #
Sunita Bansal	Promoter Selling Shareholder	Up to 5,89,952 Equity Shares of face value ₹ 10 each aggregating up to ₹ [●] million	12.04
Gopal Bansal HUF	Promoter Group Selling Shareholder	Up to 2,007,734 Equity Shares of face value ₹ 10 each aggregating up to ₹ [●] million	10.94
Arvind Kumar Bansal HUF	Promoter Group Selling Shareholder	Up to 2,09,990 Equity Shares of face value ₹ 10 each aggregating up to ₹ [●] million	10.00
Kriti Suri	Promoter Group Selling Shareholder	Up to 1,92,324 Equity Shares of face value ₹ 10 each aggregating up to ₹ [●] million	10.06

#As certified by M/s Ajay Rattan & Co., Chartered Accountants, by way of their certificate dated July 22, 2026 bearing UDIN: 26090975SYECGA3570

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Floor Price, Cap Price and Offer Price as determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for the Offer Price” on page 21, 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 investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors shall rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 26.

ISSUER’S AND SELLING SHAREHOLDER’S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares that will be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges, being the BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”, and together with BSE, the “Stock Exchanges”). For the purposes of the Offer, the Designated Stock Exchange shall be [●].

DETAILS OF THE BOOK RUNNING LEAD MANAGER

Name of the BRLM and logo	Contact Person(s)	Email and Telephone
Aryaman Financial Services Limited 	Vatsal Ganatra	Email: ipo@afsl.co.in Tel: +91-22-6216 6999

REGISTRAR TO THE OFFER

Name of the Registrar	Contact Person	Email and Telephone
Skyline Financial Services Private Limited 	Anuj Kumar	E-mail: ipo@skylinerta.com Telephone: +91 011 - 26812682

BID/OFFER PERIOD

ANCHOR INVESTOR BIDDING DATE*	[●]	BID/OFFER OPENS ON	[●]	BID/OFFER CLOSES ON**	[●]****
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* Our Company, in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.

** Our Company, in consultation with the Book Running Lead Manager, 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 Book Running Lead Manager, may consider further issuance of specified securities, by way of private placement(s), preferential allotment(s) or any other mode as may be permitted under the applicable law, aggregating up to 11,500,000 Equity Shares (the “Pre-IPO Placement”), prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. 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 (Regulations) Rules, 1957, as amended (“SCRR”). The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer and allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers 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 in listing of the Equity Shares on the Stock Exchanges. The utilization of the pre-IPO proceeds being discretionary in nature, if raised, shall be completely attributed / adjusted towards the GCP Portion, unless the pre-IPO proceeds have been utilised towards the disclosed specific objects of the Offer. 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 Prospectus.

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

**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 elsewhere in the Draft Red Herring Prospectus, which is available at the websites of SEBI at www.sebi.gov.in, National Stock Exchange of India Limited and BSE Limited at www.nseindia.com and www.bseindia.com, respectively, the Company at https://www.iflfinancelttd.com/ipo.php and the BRLM at https://afsl.co.in/. References below to page numbers are to page numbers of the Draft Red Herring Prospectus dated July 22, 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.
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1. Summary of the Primary business

We are a non-deposit taking, non-banking financial company classified as an Investment and Credit Company (NBFC-ICC), registered with the Reserve Bank of India ("RBI") under Section 45-IA of the Reserve Bank of India Act, 1934, bearing registration no. N-14.03651 dated June 26, 2025

a) **Business Overview – Products and Services:** We are a non-deposit taking, non-banking financial company classified as an Investment and Credit Company (NBFC-ICC), registered with the Reserve Bank of India. Our primary business is providing secured retail loans, with a strategic focus on loans against the pledge of gold. We also continue to service our existing portfolio of home loans and loans against property. As on March 31, 2026, we operated 88 branches across Delhi, Rajasthan, Madhya Pradesh, Uttar Pradesh and Haryana, serving retail borrowers through a collateral-backed lending model.

b) **Description of industries served:** We primarily serve the retail financial services industry by providing secured lending solutions to individual borrowers. Our customer base includes self-employed individuals, small business owners, traders, salaried individuals and borrowers operating in the informal sector who require timely access to credit against pledged gold or immovable property.

c) **Key Geographies:** Our operations are concentrated in Northern and Central India. As on March 31, 2026, our branch network comprised: 31 branches in the National Capital Territory of Delhi, 33 branches in Rajasthan, 11 branches in Madhya Pradesh, 9 branches in Uttar Pradesh; and 4 branches in Haryana. We derive our business primarily from these states through our branch-led customer acquisition and servicing model.

d) **Our revenue from operations from our key customers:** Our revenue from operations is generated from interest income and related charges earned from our diversified retail borrower base. Given the nature of our business, we are not materially dependent on any single customer or a limited group of customers, and no individual customer contributes a material portion of our revenue from operations.

e) **Key Facilities:** Our key facilities comprise our registered and corporate office, branch network and supporting operational infrastructure required for our lending business. As on March 31, 2026, we operated 88 branches across Delhi, Rajasthan, Madhya Pradesh, Uttar Pradesh and Haryana, which undertake customer acquisition, loan origination, collateral appraisal, loan servicing and collection activities. Our branches are supported by centralized functions including credit, risk management, finance, treasury, compliance, information technology and customer support, enabling efficient business operations and regulatory compliance.

f) **Business strengths and strategies:**

Strengths: (1) Established Brand and Customer Franchise with Focused Geographic Presence. (2) Strong Asset Quality and Risk Management Framework. (3) Technology-Enabled Operations. (4) Experienced Management Team with a Demonstrated Track Record of Growth and Profitability.

Strategies: (1) Expanding our Geographical Reach (2) Further Growth of our Gold Loan Business. (3) Continue to Invest in Technology and Digitisation. (4) Continue to attract, train and retain talented employees. (5) Continue to diversify our borrowings profile to optimise our borrowing costs

g) **Summary of Industry (Source: D&B Report)**

Non-Banking Financial Institutions (NBFIs) play a significant role in global financial markets by complementing traditional banking systems and enhancing the overall availability of credit and investment capital. These institutions operate across a wide range of segments, including consumer and business lending, asset management, insurance, pension funds, and capital market intermediation, thereby catering to diverse borrower and investor requirements.

Their flexible operating models and ability to offer specialized financial solutions enable them to address segments that may remain underserved by traditional banking institutions. The importance of the NBFI sector has increased steadily over time, with non-bank entities playing an expanding role in financial intermediation and capital allocation across global markets. As of 2024, the NBFI sector accounted for a significant share of global financial assets, reflecting its growing systemic importance and contribution to economic activity.

For further details, please refer chapter titled “Our Business” on page 188 of DRHP.

2. Promoters

Gopal Bansal	Gopal Bansal is the Managing Director of our Company and one of the Promoters of our Company. He has been associated with our Company as an Executive Director since March 25, 2017. He holds a bachelor's degree in Commerce from the University of Rajasthan and is a Fellow Member of the Institute of Chartered Accountants of India. He is currently serving as the Managing Director of India Finsec Limited. He has over 23 years of experience in finance, corporate management and strategic leadership. In his current role, he oversees the day-to-day affairs of our Company and is responsible for the strategic planning, leadership, finance and overall management of our Company in accordance with the goals and vision of the Board of Directors.
Sunita Bansal	Sunita Bansal is the Whole Time Director of our Company and one of the Promoter of our Company. She has been on the Board of Directors of our Company since September 17, 2015. She holds a Post Graduate Diploma in Business Administration examination from the Institute for Technology & Management. She has more than 26 years of experience and is responsible for overall management and operations of the company.
M/s India Finsec Limited	The Company was incorporated as "Dynasore Leasing and Holdings Private Limited" at Delhi as a Private Limited Company under the provisions of the Companies Act, 1956. Subsequently, name of the Company was changed to "India Finsec Private Limited" after which the Company was converted into a Public Company and name of the Company was changed to " India Finsec Limited ". The company was listed on BSE Mainboard platform on June 11, 2013. The Registered Office of the Company is D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi - 110085, India and its Corporate Identification Number is L65923DL1994PLC060827. India Finsec Limited is an unregistered Core Investment Company primarily involved in the business of investment activities of its group companies to the extent permitted for unregistered Core Investment Companies under the regulatory framework prescribed by the Reserve Bank of India, to the extent applicable.

For details, see “Our Promoters and Promoter Group” on page 268 the DRHP.

3. Objects of the issue

The Net Proceeds are proposed to be used by our Company in accordance with the details provided in the following table:

Particulars	Amount (₹ in million)
Augmentation of our capital base to meet our future capital requirements	1,500.00
General Corporate Purposes *	●
Total	●

*To be determined on finalization of the Offer Price and updated in the Prospectus. The amount utilised for General Corporate Purposes shall not exceed 25% of the Gross Proceeds of the Offer.

For further details, see “Objects of the Offer” on page 102 the DRHP.

4. Pre and post offer shareholding of promoter(s), members of the promoter group and top 10 shareholders

The aggregate pre- Offer and post- Offer equity shareholding and percentage of the pre- Offer and post- Offer paid- up Equity Share capital of our Promoters, members of the Promoter Group and the top 10 Shareholders (other than our Promoters and members of our Promoter Group) as on the date of this Draft Red Herring Prospectus is set forth below:

S. No.	Name of the Shareholder	Pre-Offer		Post-Offer Equity Share Capital*	
		No. of Equity Shares	% of pre-Offer Equity Share capital	No. of Equity Shares	% of post- Offer Equity Share capital
Promoters					
1.	Gopal Bansal	7,393,430	8.72	[●]	[●]
2.	Sunita Bansal	6,942,410	8.19	[●]	[●]
3.	India Finsec Limited	60,185,024	71.01		
Total (A)		74,520,864	87.92	[●]	[●]
Promoter Group					
4.	Virender Kumar Bansal	2,588,562	3.05	[●]	[●]
5.	Gopal Bansal HUF	2,007,734	2.37	[●]	[●]
6.	Santosh Bansal	1,907,361	2.25	[●]	[●]
7.	Renu Bansal	681,211	0.80	[●]	[●]
8.	Nidhi Bansal	544,971	0.64	[●]	[●]
9.	Ganga Devi Bansal	408,731	0.48	[●]	[●]
10.	Kriti Suri	1,480,010	1.75	[●]	[●]
11.	Arvind Kumar Bansal HUF	209,990	0.25	[●]	[●]
12.	Arvind Kumar Bansal	136,250	0.16	[●]	[●]
Total (B)		9,964,820	11.76	[●]	[●]
Top 10 Public Shareholders (other than our Promoters and members of our Promoter Group)					
1.	Vishnu Kumar Bansal	272,480	0.32	[●]	[●]
Total (C)		272,480	0.32	[●]	[●]
Total (A) + (B) + (C)		84,758,164	100.00	[●]	[●]

* Subject to finalisation of Basis of Allotment

For further details, see “Capital Structure” beginning on Page 83 of DRHP

5. Summary of Restated Financial Information

The following details of selected financial information are derived from the Restated Financial Information as at for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024:

(Rs. in Million)

Sr. No	Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
1	Share Capital	847.58	847.58	659.23
2	Net Worth ⁽¹⁾	1,799.21	1,582.35	1,050.80
3	Revenue	846.09	711.12	633.35
4	EBITDA ⁽²⁾	656.21	522.47	415.98
5	Profit after Tax (PAT)	216.30	181.26	121.48
6	Basic Earnings per Share ⁽³⁾	2.55	2.65	1.84
7	Diluted Earnings per share ⁽⁴⁾	2.55	2.65	1.84
8	Return on Net Worth	11.93%	11.35%	11.35%
9	Net Asset Value per Share ⁽⁵⁾	21.40	18.85	16.24
10	Total Borrowings ⁽⁶⁾	3,882.15	1,877.96	1,824.19

Sr. No	Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
11	Cash flow from Operating Activities	(1,526.14)	(305.91)	(129.99)
12	Cash flow from Investing Activities	3.93	29.40	0.28
13	Cash flow from Financing Activities	1,972.09	368.28	107.70

(1) Net Worth = Equity share capital + Other equity - Deferred Tax Assets.

(2) EBITDA: Restated Profit for the year from continuing operations, adjusted to exclude (i) depreciation and amortization expenses; (ii) finance costs; and (iii) tax expense.

(3) Basic Earnings per share = Restated Net profit after tax attributable to equity shareholders / Weighted average number of equities shares outstanding during the year.

(4) Diluted Earnings per share = Restated Net profit after tax attributable to equity shareholders / Weighted average number of potential equity shares outstanding during the year.

(5) Net Asset Value per Equity Share (in ₹) is computed as Total Equity as divided by the number of equity shares as at the last day of relevant Fiscal.

(6) Total Borrowings means total fund-based borrowings availed by the Company as per restated consolidated financial statements.

For further details, see “Management’s Discussions and Analysis of Financial Position and Results of Operations”, “Basis of Offer”, “Restated Financial Information” and “Other Financial Information” on pages 368, 109, 290 and 349 respectively.

6. Summary of Key Performance Indicators

A list of our Key Performance Indicators for Fiscals 2026, 2025 and 2024 is set out below:

Key Performance Indicators (KPIs)	Unit of measurement	For the year ended on		
		March 31, 2026	March 31, 2025	March 31, 2024
Number of branches	Number	88	77	67
Number of Employees	Number	328	290	306
Number of Active Customers	Number	33,951	28,287	20,640
Total Disbursements	(₹ in millions)	13,364.09	4,789.77	2,950.17
Disbursements Y-o-Y growth	%	179.01%	62.36%	NA
Credit Ratings	Ratings	CRISIL BBB / Stable	CRISIL BBB- / Stable	CRISIL BBB- / Stable
Maximum Permissible LTV	%	75%	75%	75%
Gross AUM		5,204.90	3,321.14	2,791.04
- Owned Portfolio	(₹ in millions)	5,132.37	3,317.83	2,791.04
- Managed Portfolio	(₹ in millions)	72.53	3.31	-
Gross NPA	%	0.79	0.67	1.13
Net NPA	%	0.58	0.46	0.78
Interest Income	(₹ in millions)	801.77	685.08	608.36
Finance Costs	(₹ in millions)	331.97	257.53	234.64
Net Interest Income	(₹ in millions)	469.80	427.55	373.72
Fees and Commission Income	(₹ in millions)	39.42	21.32	19.55
Total Income	(₹ in millions)	857.03	713.71	637.75
NIM + Fee Income Margin	(₹ in millions)	509.22	448.86	393.27
Net Total Income	(₹ in millions)	525.05	456.18	403.12
Operating Expenses	(₹ in millions)	226.50	217.01	237.75
Credit Costs	(₹ in millions)	5.19	-	4.88
Profit after Tax	(₹ in millions)	216.30	181.26	121.48
Profit after Tax Y-o-Y Growth	%	19.30%	49.20%	171.61%
Basic EPS / Diluted EPS	(in ₹)	2.55	2.65	1.84
Average Yield	%	19.08%	22.57%	23.11%
Average Cost of borrowings ratio	%	11.53%	13.91%	13.34%
Net Interest Margin Ratio	%	11.18%	14.09%	14.20%
NIM + Fee Income Ratio	%	12.12%	14.79%	14.94%
Cost to Income Ratio	%	43.14%	47.57%	58.98%
Operating Expenses Ratio	%	5.39%	7.15%	9.03%
Credit Cost Ratio	%	0.12%	-	0.19%

Key Performance Indicators (KPIs)	Unit of measurement	For the year ended on		
		March 31, 2026	March 31, 2025	March 31, 2024
Return On Equity	%	12.68%	13.59%	12.03%
Return On Assets	%	5.15%	5.97%	4.61%
Gross Stage 3 Loans Ratio	%	0.79%	0.67%	1.13%
Net Stage 3 Loans Ratio	%	0.58%	0.46%	0.78%
Provision Coverage Ratio	%	27.62%	31.84%	31.30%
Total Equity	(₹ in millions)	1,813.78	1,597.43	1,070.36
Total Borrowings	(₹ in millions)	3,882.15	1,877.96	1,824.19
Total Borrowings to Total Equity	No. of times	2.14	1.18	1.70
CRAR	%	33.97%	69.15%	66.32%
CRAR – Tier I	%	33.72%	60.08%	56.34%
CRAR – Tier II	%	0.25%	9.07%	9.98%

Notes:

- (1) Number of Branches: Total number of operational branches as at the last day of the relevant Fiscal.
- (2) Number of Employees: Total number of on-roll employees as at the last day of the relevant Fiscal
- (3) Number of Active Customers: Total number of active customers to whom our Company have advanced credit up to the last day of the relevant Fiscal
- (4) Total Disbursements: Aggregate Loans disbursed during the relevant Fiscal.
- (5) Disbursements Y-o-Y growth: Percentage growth in disbursements for the relevant Fiscal over disbursements for the immediately preceding Fiscal.
- (6) Credit Ratings: Latest Credit Ratings availed by the Company
- (7) Maximum Permissible LTV – it is the highest percentage of asset value that a Company is willing to finance through loan.
- (8) Gross AUM: Total Assets Under Management representing the aggregate outstanding loan portfolio
- (9) Owned Portfolio: The portion of the total loan portfolio funded through its own borrowings, as reported in accordance with applicable Indian Accounting Standards (Ind AS).
- (10) Managed Portfolio: The portion of the loan portfolio that has originated in partnership under a co-lending arrangement as per RBI's Co-Lending Model framework
- (11) Gross NPA: Gross Non-Performing Assets represent the total outstanding principal amount of loan accounts where the principal or interest instalment remains overdue expressed as a percentage of Gross AUM.
- (12) Net NPA: Net Non-Performing Assets represent Gross NPA reduced by the provisions held against such non-performing assets in accordance with the IRACP provisioning expressed as a percentage of Gross AUM.
- (13) Interest Income: Interest Income as reported in the Restated Financial Information for the relevant Fiscal.
- (14) Finance Costs: Finance Cost as reported in the Restated Financial Information for the relevant Fiscal.
- (15) Net Interest Income: Interest Income for the relevant Fiscal reduced by Finance Cost for the relevant Fiscal.
- (16) Fees and Commission Income: Rental income, Fees and Commission income and Other Income as reported in the Restated Financial Information for the relevant Fiscal.
- (17) Total Income: Total Income as reported in the Restated Financial Information for the relevant Fiscal.
- (18) NIM + Fee Income Margin: Sum of Net Interest Income and Fee Income for the relevant Fiscal.
- (19) Net Total Income: Total Income reduced by Finance Cost for the relevant Fiscal.
- (20) Operating Expenses: Aggregate of Employee benefit expenses, Depreciation, amortization and impairment, and other expenses as reported in the Restated Financial Information for the relevant Fiscal.
- (21) Credit Costs: Impairment on financial instruments as reported in the Restated Financial Information for the relevant Fiscal.
- (22) Profit after Tax: Profit for the relevant Fiscal attributable to equity holders of the Company as reported in the Restated Financial Information for the relevant Fiscal.
- (23) Profit after Tax Y-o-Y Growth: Percentage growth in Profit After Tax for the relevant Fiscal over Profit After Tax for the immediately preceding Fiscal.
- (24) Basic EPS / Diluted EPS: Basic / Diluted Earnings Per Equity Share as reported in the Restated Financial Information for the relevant Fiscal.
- (25) Average Yield: Interest Income as a percentage of Average Total Net Loans.
- (26) Average Cost of Borrowings Ratio: Finance Cost as a percentage of Average Total Borrowings for the relevant Fiscal.
- (27) Net Interest Margin Ratio: Net Interest Income as a percentage of Average Total Net Loans.
- (28) NIM + Fee Income Ratio: NIM + Fee Income Margin as a percentage of Average Total Net Loans.
- (29) Cost to Income Ratio: Operating Expenses as a percentage of Net Total Income for the relevant Fiscal.
- (30) Operating Expenses Ratio: Operating Expenses as a percentage of Average Total Net Loans.
- (31) Credit Cost Ratio: Credit Cost as a percentage of Average Total Net Loans.
- (32) Return On Equity: Profit after tax as a percentage to Average Total Equity.
- (33) Return On Assets: Profit after tax as a percentage to Average Total Net Loans.
- (34) Gross Stage 3 Loans Ratio: Ratio of Gross Stage 3 Loans as a percentage to Total Gross Loans as at the last day of the relevant Fiscal.
- (35) Net Stage 3 Loans Ratio: Gross Stage 3 Loans as reduced by impairment allowances provided on Gross Stage 3 Loans as a percentage to Total Gross Loans as reduced by impairment allowances provided on Gross Stage 3 Loans as at the last day of the relevant Fiscal.
- (36) Provision Coverage Ratio: Impairment allowances provided on Gross Stage 3 Loans as a percentage to Gross Stage 3 Loans as at the last day of the relevant Fiscal.
- (37) Total Equity: Equity attributable to equity holders of the Company reduced by Instruments entirely equity in nature as reported in the Restated Financial Information as at the last day of the relevant Fiscal.
- (38) Total Borrowings: Debt securities, Borrowings (Other than debt securities) and Subordinated liabilities as reported in the Restated Financial Information as at the last day of the relevant Fiscal.

- (39) *Total Borrowings to Total Equity: Total Borrowings divided by Total Equity.*
- (40) *Capital Risk Adequacy Ratio (CRAR): Computed from the restated financial statements of the Company, as the sum of CRAR – Tier I and CRAR – Tier II.*
- (41) *CRAR Tier-I: Computed from the restated financial statements of the Company as Tier I capital divided by total risk weighted assets, in accordance with relevant RBI guidelines as at the last day of the relevant Fiscal.*
- (42) *CRAR Tier-II: Computed from the restated financial statements of the Company as Tier II capital divided by total risk weighted assets, in accordance with relevant RBI guidelines as at the last day of the relevant Fiscal/ period.*

We shall continue to disclose these KPIs, on a half yearly basis, for a duration that is at least the later of (i) two years after the listing date; and (ii) the utilization of the Offer proceeds disclosed in the objects of the Offer section of the Prospectus. We confirm that the ongoing KPIs would be certified by the Statutory Auditor of our Company, M/s Ajay Rattan & Co., Chartered Accountants, dated June 24, 2026 bearing 26090975YDRNUE8216. Further, the auditor is consented to include this letter as a part of “Material Contracts and Documents for Inspection”.

7. Risk Factors

Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. Details of our top 10 risk factors are set forth below:

- 1) Our Gross Stage 3 Loans comprised 0.79%, 0.67% and 1.13% of our Total Gross Loans as at March 31, 2026, March 31, 2025 and March 31, 2024 respectively. Non-payment or default by our customers may adversely affect our business, results of operations, cash flows and financial condition.
- 2) Our provision coverage ratio was 27.62%, 31.83% and 31.30% as at March 31, 2026, March 31, 2025 and March 31, 2024, respectively. Our inability to provide adequate provisioning coverage for non-performing assets may adversely affect our business, results of operations, cash flows and financial condition.
- 3) 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.
- 4) Our portfolio has undergone a rapid and fundamental shift in composition, with gold loans increasing from 41.45% to 84.77% of Total Gross Loans between March 31, 2024 and March 31, 2026, representing a significant change in our business model and risk profile, the sustainability and risks of which are uncertain.
- 5) Home Loans and Loans against Property together amounted to 15.23%, 36.55% and 58.55% of our Total Gross Loans as on March 31, 2026, March 31, 2025 and March 31, 2024 respectively. In relation to our Home Loans and Loans Against Property, we have significant exposure to the real estate sector and any negative trends affecting this sector could adversely affect our business and result of operations.
- 6) Our fixed interest rate loans comprised 98.06 %, 96.22 % and 94.23 % of our Total Gross Loans and our fixed interest rate borrowings comprised 64.52 %, 16.17 % and 6.28 % of our Total Borrowings as at March 31, 2026, March 31, 2025 and March 31, 2024, respectively. Any adverse changes in interest rates could impact our Average Cost of Borrowings Ratio and adversely impact our Net Interest Margin Ratio, demand for loans and profitability and cause a decrease in our Net Interest Income, any of which could adversely affect our business, results of operations, cash flows and financial condition.
- 7) One of our Promoter has been involved in regulatory proceedings initiated by SEBI which has been settled. Any such regulatory proceedings, or any adverse action as a result of such regulatory proceedings, may affect our reputation and business.
- 8) There are outstanding legal proceedings involving our Company, Promoters and Directors, which if determined adversely, may affect our business and financial conditions
- 9) Our inability to assess and recover the full value of collateral, or amounts outstanding under defaulted loans in a timely manner, or at all, could adversely affect our business, results of operations and financial condition
- 10) We do not own our logo. If we are unable to protect our trademarks and trade names, it may have a material adverse effect on our business prospectus, reputation and goodwill.

8. The details of weighted average cost of acquisition of shares for promoter and selling shareholders

Name of the Promoter	Number of Equity Shares of face value of ₹ 10 each held	Weighted Average cost of acquisition per Equity Share (in ₹)	WACA per Equity shares acquired in last one year
Gopal Bansal	7,393,430	10.11	10.00
Sunita Bansal	6,942,410	12.04	-
India Finsec Limited	60,185,024	12.89	-

Name of the Selling Shareholders*	Number / Amount of Equity Shares Offered	Weighted Average Cost of Acquisition (in ₹ per Equity Share)	ACA per Equity Shares acquired in last one year
Arvind Kumar Bansal HUF	2,09,990	10.94	-
Sunita Bansal	5,89,952	10.00	-
Kriti Suri	1,92,324	12.04	-
Gopal Bansal HUF	20,07,734	10.06	-

* As certified by M/s Ajay Rattan & Co., Chartered Accountants, by way of their certificate dated July 22, 2026 bearing UDIN: 26090975SYECGA3570

For details of shareholding of our Promoters and selling shareholders, see “Capital Structure” on page 83 of the DRHP.

9. Board of Directors and Key Managerial Personnel

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

Sr. No.	Names	Designation
Board of Directors		
1.	Gopal Bansal	Managing Director
2.	Sunita Bansal	Whole-Time Director
3.	Ashish Bansal	Non- Executive Director
4.	Kriti Suri	Whole-Time Director
5.	Devi Dass Agarwal	Chairperson and Non-Executive Independent Director
6.	Khushboo Rawat	Non-Executive Independent Director
Key Managerial Personnel		
1.	Perna Mittal Arora	Chief Financial Officer
2.	Shivani Jindal	Company Secretary and Compliance Officer

For further details, see “Our Management” on page 247 the DRHP.

10. Auditors Qualifications

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

11. Summary table of outstanding litigations

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

Name of entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Other material proceedings	Aggregate amount involved* (₹ in million)
Company						
By our Company	34	Nil	Nil	Nil	13	29.10
Against our Company	Nil	Nil	Nil	Nil	5	6.72
Promoters						
By our Promoter	1	Nil	Nil	Nil	Nil	17.76
Against our Promoter	1	2	Nil	2	2	195.06
Directors						
By our Directors	1	Nil	Nil	Nil	Nil	Nil
Against our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Key Managerial Personnel						
By our Key Managerial Personnel	Nil	Nil	Nil	Nil	Nil	Nil

Name of entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Other material proceedings	Aggregate amount involved* (₹ in million)
Against our Key Managerial Personnel	Nil	Nil	Nil	Nil	Nil	Nil
Senior Management						
By members of our Senior Management	Nil	Nil	Nil	Nil	Nil	Nil
Against members of our Senior Management	Nil	Nil	Nil	Nil	Nil	Nil

**To the extent ascertainable and quantifiable*

For further details of the outstanding litigation proceedings, see “*Outstanding Litigation and Material Developments*” beginning on page 400 of the DRHP.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and, unless so registered, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Our Company has not registered and does not intend to register under the U.S. Investment Company Act in reliance on Section 3(c)(7) of the U.S. Investment Company Act, and investors will not be entitled to the benefits of the U.S. Investment Company Act. Accordingly, the Equity Shares are only being offered and sold (i) to persons in the United States or to or for the account or benefit of, U.S. Persons, in each case to investors that are both “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in the Draft Red Herring Prospectus as “U.S. QIBs” and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in the Draft Red Herring Prospectus as “QIBs”) in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on Section 3(c)(7) of the U.S. Investment Company Act; or (ii) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in “offshore transactions” as defined in, and in reliance on, Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares may not be re-offered, re-sold, pledged or otherwise transferred except in an “offshore transaction” as defined in, and in reliance on, Regulation S to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (such permitted transactions including, for the avoidance of doubt, a bona fide sale on the BSE or NSE).