



(Formerly known as Meenakshi Enterprises Limited)
A NBFC listed at Bombay Stock Exchange

CIN: L51102TZ1982PLC029253

Regd Office: Shop No 3, 1st Floor, Adhi Vinayaga Complex,
No 3 Bus stand, Gopalsamy Temple Street, Ganapathy,
Coimbatore, Tamil Nadu, India-641006
Email: investor@jmjfintechltd.com
Mob:7395922291/92

July 12, 2025

To,
BSE Limited
Listing Dept. / Dept. of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street, Kala Ghoda, Fort,
Mumbai - 400001

Security Code: 538834
Security ID: JMJFIN
ISIN: - INE242Q01016

Dear Sir/ Madam,

Sub: Outcome of the Rights Issue Committee of JMJ Fintech Limited ("Company").
Ref.: Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We refer to our letter July 05, 2025, in connection with the issue intimating the Record Date for the proposed Rights Issue of the Company, the Rights Issue Committee of the Company has at its meeting held today Saturday, July 12, 2025, approved the Letter of Offer, Abridged Letter of Offer and Rights Entitlement Letters to be filed with BSE Limited and will be dispatched to the equity shareholders of the Company as of the Record Date i.e., Friday, July 11, 2025 ("Eligible Equity Shareholders"), in due course. The meeting commenced at 04.00 P M and concluded at 04:40 P M.

The above information is also available on the website of the Company, i.e.

You are requested to take the same on your record.

Thanking you.

Yours Faithfully,

For, JMJ Fintech Limited

Vidya Damodaran
Company secretary and compliance officer
Membership No. A 69509





JMJ FINTECH LIMITED

Our Company was originally formed as public limited in the name and style of "Meenakshi Enterprises Limited" under the provisions of companies act, 1956 pursuant to certificate of incorporation issued by Registrar of Companies, Tamil Nadu on 27th November, 1982. Thereafter, our Company was granted the certificate of commencement of business dated December 17, 1982. Subsequently, our company amended the object clause in its Memorandum of Association to diversify into leasing machinery, equipment, and travel agency services. Thereafter our company has obtained Non-deposit taking NBFC certificate, issued by RBI on 09th March, 1998. Subsequently pursuant to a Special Resolution passed by way of postal ballot dated July 16, 2022, the name of our company was changed to 'JMJ Fintech Limited' vide fresh certificate of incorporation consequent upon change of name dated August 10, 2022 issued by the Registrar of Companies, Tamil Nadu. Thereafter our company has changed its Registered Office from Chennai to Coimbatore, Tamil Nadu vide ROC, Coimbatore order dated August 23, 2023. The equity shares of our company were got listed on BSE Limited on December 17, 2014 bearing CIN - L51102TZ1982PLC029253, scrip code - 538834 and ISIN - INE242Q01016. For details of our Company, please see the chapter titled "General Information" beginning on page 49.

Registered Office: Shop No. 3, 1st Floor, Adhi Vinayaga Complex, No. 3, Bus Stand, Gopalsamy Temple Street, Ganapaty, Coimbatore, Ganapathy, Coimbatore, Coimbatore North, Tamil Nadu, India, 641006

Telephone: 7395922291; **Email:** investor@jmjfintechltd.com

Contact Person: Mrs. Vidya Damodaran, Company Secretary and Compliance Officer; **Email:** investor@jmjfintechltd.com Website: www.jmjfintechltd.com

Corporate Identification Number: L51102TZ1982PLC029253

OUR PROMOTER: JOHNY M L

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF JMJ FINTECH LIMITED (THE "COMPANY" OR THE "ISSUER") ONLY

ISSUE OF UP TO 2,56,00,000 PARTLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹10/- EACH ("RIGHTS EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 10.50/- EACH INCLUDING A SHARE PREMIUM OF ₹ 0.50/- PER RIGHTS EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO AN AMOUNT UPTO ₹ 2688.00 LAKHS ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF TWO RIGHTS EQUITY SHARES FOR EVERY ONE FULLY PAID UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON JULY 11, 2025 (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS 1.05 TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE SEE THE CHAPTER TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 127 OF THIS LETTER OF OFFER.

*Assuming full subscription and receipt of all Call Monies with respect to Right Equity Shares.

PAYMENT SCHEDULE FOR THE RIGHTS EQUITY SHARES

| AMOUNT PAYABLE PER RIGHT EQUITY* | FACE VALUE (₹) | PREMIUM (₹) | TOTAL |
|--|----------------|-------------|--------------|
| On Application | 3.00 | 0.15 | 3.15 |
| On One or more subsequent Call(s) as determined by our Board at its sole discretion, from time to time | 7.00 | 0.35 | 7.35 |
| Total | 10.00 | 0.50 | 10.50 |

*For further details on Payment Schedule, see "Terms of the Issue" on page 127.

WILFUL DEFAULTERS OR FRAUDULENT BORROWER

NEITHER OUR COMPANY NOR OUR PROMOTERS OR ANY OF OUR DIRECTORS ARE CATEGORISED AS A WILFUL DEFAULTER OR FRAUDULENT BORROWER BY RBI OR ANY OTHER GOVERNMENTAL AUTHORITY

GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and Investors should not invest any funds in this Issue 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 the Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The Rights Equity Shares in the Issue 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 Letter of Offer. **Specific attention of the Investors is invited to statement of "Risk Factors" given on page 20 of this Letter of Offer.**

COMPANY'S ABSOLUTE RESPONSIBILITY

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

LISTING

The existing Equity Shares of our Company are listed on BSE Limited ("BSE"/"Stock Exchange"). Our Company has received an in-principle approval letter dated April 30, 2025 from BSE bearing reference number LOD/RIGHT/AM/124/2025-26. Our Company will also make an application to the Stock Exchange to obtain the trading approval for the Rights Entitlements as required under the SEBI circular bearing reference number - SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024. For the purpose of this Issue, the Designated Stock Exchange is BSE.

REGISTRAR TO THE ISSUE



M/s. Purva Sharestry (India) Private Limited

Shakthi Industrial Estate, Ground Floor, J.R. Boricha Marg, Opp. Kasthurba Hospital, Lower Parel, Mumbai-400011.

Tel: +91 022 49614132,

Email: newissue@purvashare.com, Website: www.purvashare.com

Investor Grievance Email: newissue@purvashare.com Contact Person: Ms. Deepali Dhuri,

SEBI Registration Number: INR000001112, CIN: U67120MH1993PTC074079

ISSUE PROGRAMME

| ISSUE OPENS ON | LAST DATE FOR ON MARKET RENUNCIATION* | ISSUE CLOSSES ON [#] |
|-----------------------|---------------------------------------|-------------------------------|
| Friday, July 18, 2025 | Tuesday, August 12, 2025 | Saturday, August 16, 2025 |

*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.

[#]Our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

Unless the context otherwise requires, the terms defined and abbreviations expanded below shall have the same meaning as stated in this chapter. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments, modifications or re-enactment notified thereto. In this Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to ‘the/our Company’, ‘we’, ‘our’, ‘us’ or similar terms are to JMJ Fintech Limited as the context requires, and references to ‘you’ are to the Eligible Equity Shareholders in this Rights Issue of Equity Shares.

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the chapters titled “Statement of Special Tax Benefits” “Financial Information”, “Outstanding Litigations and Other Defaults” and “Terms of the Issue” on pages 60, 103, 116 and 127 respectively, shall have the meaning assigned to the terms in their respective chapters.

General Terms

| Terms | Description |
|--|--|
| “JMJ Fintech Limited” or “the Company” or “our Company” or “the Issuer” or “JFL” | JMJ Fintech Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at Shop No. 3, 1st Floor, Adhi Vinayaga Complex, No. 3, Bus Stand, Gopalsamy Temple Street, Ganapaty, Coimbatore, Ganapathy, Coimbatore, Coimbatore North, Tamil Nadu, India, 641006 |
| “We” or “Us” or “Our” | Unless the context otherwise indicates or implies or unless otherwise specified, our Company together with our Subsidiary. |

Company Related Terms

| Terms | Description |
|---|---|
| Articles / Articles of Association/ AoA | The Articles of Association of our Company as amended from time to time. |
| Audited Financial Statements | The audited financial statements of our Company for the financial year ended March 31, 2025 which comprises of the balance sheet as at March 31, 2025, the statement of profit and loss including other comprehensive income, the cash flow statement, the statement of changes in equity for the year ended March 31, 2025, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. For details, see “Financial Information” on page 103 of this Letter of Offer. |
| Audit Committee | The committee of our Board of Directors duly constituted as the Audit Committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Section 177 of the Companies Act, 2013. |
| Auditors / Statutory Auditors | The Statutory Auditors of our Company being M/s Vinay Kumar Jain, Chartered Accountants having their office at 803, Airen Heights, PU-3, Opp. Malhar Mega Mall, A. B. Road, Indore-452 010. |
| Board / Board of Directors/ | The Board of Directors of our Company or a duly constituted committee thereof, as the context may refer to. |
| Director(s) | Any or all the director(s) of our Board, as may be appointed from time to time. |
| Equity Shares / Shares | Equity Shares of face value ₹10/- each of our Company. |

| Terms | Description |
|--------------------------------------|---|
| Key Managerial Personnel(s) / KMP(s) | Key Managerial Personnel(s) of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations being Mr. Johny Madathumpady Lonappan, Executive Chairman, Mr. Joju Madathumpady Johny, Managing Director and Mrs. Vidya Damodaran, Company Secretary and Compliance Officer and Mr. Justin Thomas O, Chief Financial Officer collectively referred as Key Managerial Personnel(s) of the Company. |
| Memorandum of Association | The Memorandum of Association of our Company, as amended from time to time. |
| Promoter | Johny M L <i>(The Company has received death certificate from the legal heir of Late Mr. Disola Jose Koodaly on February 7, 2025)</i> |
| Promoter Group | Joju Madathumpady Johny and Shiny Joju forming part of the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed by our Company in the filings made with the Stock Exchange under the SEBI Listing Regulations. |
| Registered Office | Registered office of our Company situated at Shop No. 3, 1 st Floor, Adhi Vinayaga Complex, No. 3, Bus Stand, Gopalsamy Temple Street, Ganapaty, Coimbatore, Ganapathy, Coimbatore, Coimbatore North, Tamil Nadu, India, 641006. |
| Registrar of Companies / ROC | Registrar of Companies, Coimbatore, located at No.7, AGT Business Park, I Floor, Phase II, Avinashi Road, Civil Aerodrome Post, Coimbatore- 641014, Tamil Nadu. |
| Right Issue Committee | The committee of our Board constituted for purposes of the Issue and incidental matters thereof. |
| Senior Management Personnel | Senior management personnel of our Company determined in accordance with Regulation 2(1) (bbbb) of the SEBI ICDR Regulations and as described in " <i>Our Management and Organization Structure</i> " beginning on page 95 of this Letter of Offer. |
| Stakeholders' Relationship Committee | The stakeholders' relationship committee of our Board as described in " <i>Our Management and Organization Structure</i> " beginning on page 95 of this Letter of Offer. |
| Unaudited Financial Results | The unaudited financial results of our Company for the Nine months period ended December 31, 2024 prepared in accordance with the Companies Act and SEBI Listing Regulations, including the notes thereto. For details, see "Financial Information" on page 103 of this Letter of Offer. |

Issue Related Terms

| Term | Description |
|---|--|
| Abridged Letter of Draft Offer / DALOF | The Abridged Letter of Offer to be sent to the Eligible Equity Shareholders as on the Record Date with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act. |
| Additional Rights Equity Shares / Additional Equity Shares | The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement. |
| Allotment / Allot / Allotted /Allotment of Rights Equity Shares | The Allotment of Rights Equity Shares pursuant to the Issue. |
| Allotment Account(s) | The account opened with the Banker(s) to the Issue, into which 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 Account Bank | Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Account(s) will be opened, in this case being Kotak Mahindra Bank Limited. . |

| Term | Description |
|--|---|
| Allotment Advice | The note or advice or intimation of Allotment sent to the Investors, who have been or are to be allotted the Rights Equity Shares after the basis of allotment has been approved by the BSE. |
| Allotment Date | The date on which Allotment is made pursuant to the Issue. |
| Allottee(s) | Persons to whom Rights Equity Shares of our Company are Allotted pursuant to this Issue. |
| Applicant(s) / Investor(s) | Eligible Equity Shareholder(s) and / or Renouncee(s) who are entitled to make an application for the Rights Equity Shares issued pursuant to the Issue in terms of this Letter of Offer. |
| Application | Application made through submission of the Application Form or plain paper Application to the Designated Branch(es) 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 Investor to make an application for the Allotment of the Rights Equity Shares in the Issue. |
| Applicant(s) / Investor(s) | Eligible Equity Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to the Issue in terms of this Letter of Offer and the Letter of Offer, including an ASBA Applicant. |
| 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 | The application (whether physical or electronic) used by an ASBA Investor to make an application authorizing the SCSB to block the Application Money in an ASBA account maintained with SCSB. |
| ASBA Account | An account maintained with an SCSB and specified in the Application Form or plain paper application, as the case may be by the Applicant for blocking the amount mentioned in the Application Form or in the plain paper application. |
| ASBA Applicants / ASBA Investors | Applicants / Investors who make Application in this Issue using the ASBA Process. |
| ASBA Circulars | Collectively, the SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, the SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard. |
| Banker to our Company | Kotak Mahindra Bank Limited. |
| Bankers to the Issue / Escrow Collection Bank | Collectively, the Escrow Collection Bank and the Refund Bank to the Issue, in this case being Kotak Mahindra Bank Limited. |
| Banker to the Issue Agreement | Agreement dated Kotak Mahindra Bank Limited entered into by and amongst our Company, the Registrar to the Issue and the Banker to the Issue for receipt of the Application Money. |
| Basis of Allotment | The basis on which the Rights Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in “ <i>Terms of the Issue</i> ” on page 127 of this Letter of Offer. |
| Controlling Branches / Controlling Branches of the SCSBs | Such branches of the SCSBs which coordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and/or such other website(s) as may be prescribed by the SEBI from time to time. |
| 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 Branches | Such branches of the SCSBs which shall collect the Application Form 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=yess&intmId=35 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time. |
| Designated Stock Exchange | BSE Limited |
| Depository | A depository registered with SEBI under the SEBI (Depository and Participant) Regulations, 2018, as amended from time to time, read with the Depositories Act, 1996. |
| Letter of Offer / DLOF | This Letter of Offer filed with the Stock Exchange. |
| Equity Shareholder(s) / Shareholder(s) | The holders of Equity Shares of our Company. |
| Eligible Equity Shareholders / Eligible Shareholders/ | Equity Shareholders as on the Record Date i.e., Friday, July 11, 2025. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders, including any shareholder located in the United States. For further details, see "Notice to Investors" on page 11 of this Letter of Offer. |
| Entitlement Letter/ Rights Entitlement Letter | A letter to be dispatched by the Registrar to all Eligible Equity Shareholders as on the Record Date which will contain details of their Rights Entitlements based on their shareholdings as on the Record Date i.e., Friday, July 11, 2025 . The Rights Entitlements are also accessible on the website of our Company and Registrar. |
| Call(s) | The notice to be issued by our Company to the holders of the Rights Equity Shares as on the Call Record Date for making a payment of the Call Monies. |
| General Corporate Purposes | General corporate purposes shall have the meaning as determined in Regulation 2(1)(r) of the SEBI ICDR Regulations. |
| Issue / the Issue / this Issue / Rights Issue | Issue of up to 2,56,00,000 Rights Equity Shares for cash at a price of ₹10.50/- per Rights Equity Share (including a share premium of ₹ 0.50/- per Rights Equity Share) aggregating to ₹ 2688.00 Lakhs * on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of Two Rights Equity Share for every One fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record Date i.e. Friday, July 11, 2025.The issue price for the rights equity shares is 1.05 Times the face value of the equity shares <i>*Assuming full subscription and receipt of all Call Monies with respect to Rights Equity Shares.</i> |
| Issue Closing Date | Saturday, August 16, 2025. |
| Issue Material | Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue. |
| Issue Opening Date | Friday, July 18, 2025 |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants can submit their Applications, in accordance with the SEBI ICDR Regulations. |
| Issue Price | Issue of up to 2,56,00,000 Rights Equity Shares for cash at a price of ₹ 10.50 /- per Rights Equity Share (including a share premium of ₹ 0.50/- per Rights Equity Share) aggregating up to ₹2688.00 lakhs* on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of Two Rights Equity Share for every One fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record Date i.e. Friday, July 11, 2025. On Application, Investors will have to pay ₹3.15/- per Rights Equity Share which constitutes 30% of the Issue Price and the balance ₹7.35/- per Rights Equity Share which constitutes 70% of the Issue Price, must be paid, on one or more subsequent Call(s) as determined by our Board / Rights Issue Committee |

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| | at its sole discretion, from time to time. *Assuming full subscription and receipt of all Call Monies with respect to Rights Equity Shares. |
| Issue Proceeds | The gross proceeds raised through the Issue. |
| Issue Size | The amount aggregating up to ₹ 2688.00 Lakhs*. *Assuming full subscription and receipt of all Call Monies with respect to Rights Equity Shares. |
| Letter of Offer / LOF | The final Letter of Offer to be filed with the Stock Exchange. |
| Listing Agreement | Uniform listing agreement entered into between our Company and the Stock Exchange (BSE Limited). |
| Multiple Application Forms | Multiple application forms submitted by an Eligible Equity Shareholder / Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with / without using additional Rights Entitlements will not be treated as multiple application. |
| Net Proceeds | The Issue Proceeds less the Issue related expenses. For further details, please see to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 56. |
| Net Worth | Net worth as defined under Section 2(57) of the Companies Act. |
| Non-Institutional Bidders / NIIs | An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations. |
| Off Market Renunciation | The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws. |
| On Market Renunciation | The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before Tuesday, August 12, 2025. |
| QIBs / Qualified Institutional Buyers | Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations. |
| Record Date | A record date fixed by our Company for the purposes of determining the names of the Equity Shareholders who are eligible for the issue of Rights Equity Shares to be decided prior to filing of the Letter of Offer being Friday, July 11, 2025. |
| Refund Bank | The Banker to the Issue with whom the Refund Account is opened, in this case being Kotak Mahindra Bank Limited. |
| Registrar to the Issue / Registrar and Transfer Agent / RTA | Purva Shareregistry (India) Pvt. Ltd |
| Registrar Agreement | Agreement dated January 28, 2025 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) | Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation either through On Market Renunciation or through Off Market Renunciation in accordance with the SEBI ICDR Regulations, the SEBI Rights Issue Circular, the Companies Act and any other applicable law as amended from time to time. |
| Renunciation Period | The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. Friday, July 18, 2025. Such period shall close on Saturday, August 16, 2025 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 i.e., Saturday, August 16, 2025. |
| Retail Individual Bidders(s) / Retail Individual Investor(s) / RII(s) / RIB(s) | An individual Investor (including an HUF applying through karta) who has applied for Rights Equity Shares and whose Application Money is not more than ₹200,000 in the Issue as defined under Regulation 2(1)(vv) of the SEBI |

| | |
|--|--|
| | ICDR Regulations. |
| Rights Entitlements / Res | Number of the Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of the Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being Two Rights Equity Shares for every One Equity Shares held by an Eligible Equity Shareholder. Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements shall be credited in dematerialised form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date. |
| Rights Equity Shares / Rights Shares | Equity Shares of our Company to be Allotted pursuant to this Issue, on partly paid-up basis on Allotment. |
| SEBI Rights Issue Circulars | SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 read with SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 read with SEBI/HO/CFD/PoD- 2/P/CIR/2023/00094 dated June 21, 2023 and any other circular or notifications subsequently issued by SEBI in this regard. |
| Self-Certified Syndicate Bank / SCSBs | Self-certified syndicate banks registered with SEBI, which offers the facility of ASBA. A list of all SCSBs is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes , updated from time to time or at or such other website(s) as maybe prescribed by SEBI from time to time. |
| Stock Exchange | BSE, where the Equity Shares of our Company are presently listed. |
| Transfer Date | The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange. |
| Wilful Defaulter / Fraudulent Borrower | An entity or person categorised as a wilful defaulter or a fraudulent borrower by any bank or financial institution (as defined under Companies Act, 2013) or consortium thereof, in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations and in accordance with the master circular on wilful defaulters issued by RBI. |
| Working Days | In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchange, working day means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI. |

Business and Industry related :

| Term | Description |
|--|---|
| CRAR / Capital to risk weighted assets | The ratio measures a bank's financial stability by measuring its available capital as a percentage of its risk-weighted credit exposure |
| CIC-ND-SI Systemically Important Core Investment Company | CIC-ND-SI Systemically Important Core Investment Company |
| Gross non-performing assets / GNPA | Gross non-performing loans are the sum of all the loans that have been defaulted by the individuals who have acquired loans from the financial institution. |
| AFC | Asset Finance Company |
| Commercial Banks | A bank that offers services to the general public and to companies |
| DFIs | Development Finance Institutions |
| IC | Investment Company |

| | |
|---|--|
| ICC | Investment and Credit Company |
| IFC | IFC Infrastructure Finance Company |
| IBC | Insolvency and Bankruptcy Code |
| Insurance Companies | A financial intermediary which offers direct insurance or reinsurance services, Insurance Companies |
| LC | Loan Company |
| MGC | Mortgage Guarantee Companies |
| MSMEs | Micro, Small and Medium Enterprises |
| MUDRA or Micro Units Development and Refinance Agency | MUDRA is a public sector financial institution in India. It provides loans at low rates to micro-finance institutions and non-banking financial institutions which then provide credit to MSMEs |
| Mutual Funds | A mutual fund is a Company that brings together money from many people and invests it in stocks, bonds or other assets |
| NBFCs or Non-Banking Finance Companies | The entities that provide certain bank-like financial services but do not hold a banking license. NBFCs are not subject to the banking regulations and oversight by federal and state authorities adhered to by traditional banks. |
| NOFHC | NBFC- Non-Operative Financial Holding Company |
| NSI-ND-NBFC | Non-Systemically Important Non-Deposit taking Non-Banking Finance Companies |
| Net Owned Fund | Net Owned Funds means the aggregate of paid-up equity share capital and free reserves as reduced by accumulated losses and intangible assets |
| RBI | The Reserve Bank of India |
| SCBs | Scheduled Commercial Banks |
| NACH | National Automated Clearing House |
| NAV | Net Asset Value per Equity Share at a particular date computed based on total equity divided by number of Equity Shares |
| NBFC | Non-Banking Financial Company |
| NBFC-ND | Non-Deposit Taking Non-Banking Financial Company |
| NEFT | National Electronic Fund Transfer |
| Net Retail NPA | Represents closing balance of the Net NPA of our Retail AUM as of the last day of the relevant year or period. |
| Non-GAAP Financial Measure | A financial measure not presented in accordance with generally accepted accounting principles |
| NR | Non-resident or person(s) resident outside India, as defined under the FEMA |
| NRE | Non-Residential External |
| NRE Account | Non-resident external account |
| NRI | A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016 |
| NRO | Non-Resident Ordinary |
| NRO Account | Non-resident ordinary account |
| NSDL | National Securities Depository Limited |
| NSE | National Stock Exchange of India Limited |
| “OCBs” or “Overseas Corporate Body” | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA |
| OCI | Overseas Citizen of India |
| ODI | Off-shore Derivate Instruments |
| p.a. | Per annum |
| P/E Ratio | Price to Earnings Ratio |
| PAN | Permanent Account Number |
| PAT | Profit After Tax |
| PMLA | Prevention of Money Laundering Act, 2002 |
| RBI | Reserve Bank of India |
| RBI Master Directions | Master Direction- Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 |
| RERA | Real Estate Regulation and Development Act, 2016 |
| Regulation S | Regulation S under the U.S. Securities Act |

| | |
|--|--|
| RoC | Registrar of Companies, Coimbatore, Tamil Nadu |
| ROAA | Return on average assets |
| ROAE | Return on average equity |
| Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) | Commonly used measure of a company's operating performance. |
| Capital Expenditure (CapEx) | Funds used by the company to acquire, upgrade, and maintain physical assets like machinery or equipment. |
| Working Capital (WC) | The difference between a company's current assets and current liabilities. |
| Net Asset Value (NAV) | The value per share of the company's assets minus its liabilities. |
| Debt-to-Equity Ratio (D/E Ratio) | A financial ratio that compares the company's total liabilities to shareholders' equity. |
| Book Value (BV) | The net asset value of the company as recorded in its financial statements. |

Conventional Terms and Abbreviations

| Term | Description |
|--|---|
| “₹” / “Rs.” / “Rupees” / “INR” | Indian Rupees |
| A/c | Account |
| AGM | Annual General Meeting |
| AIF(s) | Alternative investment funds, as defined and registered with SEBI under the SEBI AIF Regulations |
| AY | Assessment Year |
| BSE | BSE Limited |
| CAGR | Compounded Annual Growth Rate |
| CARO | Companies (Auditor's Report) Order, 2016 |
| CCIT | Chief Commissioner of Income Tax |
| CDSL | Central Depository Services (India) Limited |
| CEO | Chief Executive Officer |
| Central Government | The Central Government of India |
| CFO | Chief Financial Officer |
| CIN | Corporate Identity Number |
| CIT | Commissioner of Income Tax |
| Companies Act | Companies Act, 2013, as amended from time to time |
| Companies Act, 1956 | Erstwhile Companies Act, 1956 and the rules made thereunder |
| Companies Act, 2013 | Companies Act, 2013 and the rules made thereunder |
| COVID-19 | The coronavirus disease 2019 |
| CTS | Cheque Truncation System |
| Depositories Act | The Depositories Act, 1996 as amended from time to time |
| DIN | Director Identification Number |
| DP | Depository Participant as defined under the Depositories Act |
| DP ID | Depository Participant's Identity |
| EBITDA | Earnings before Interest, Tax, Depreciation and Amortisation |
| EPS | Earnings per Share |
| EGM | Extraordinary General Meeting |
| FCNR Account / FCNR | Foreign Currency Non-Resident Account |
| FBIL | Financial Benchmarks India Private Limited |
| FDI | Foreign Direct Investment |
| FEMA Act / FEMA | Foreign Exchange Management Act, 1999 read with rules and regulations promulgated there under and any amendments thereto. |
| FEMA Rules | Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 |
| Fiscal /Fiscal Year/ Financial Year/FY | 12 months period commencing from April 1 and ending on March 31 of the immediately succeeding year. |
| Fugitive Economic Offender | An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 |
| FPI | Foreign Portfolio Investor |

| | |
|-----------------------------|--|
| FVCIs | Foreign venture capital investors as defined in and registered with SEBI under the SEBI FVCI Regulations |
| GCP | General Corporate Purpose |
| GIR | General Index Registrar |
| Government/GoI | Government of India |
| GST | Goods and Service Tax |
| HUF | Hindu Undivided Family |
| IBC | Insolvency and Bankruptcy Code, 2016 |
| ICAI | Institute of Chartered Accountants of India |
| IEPF | Investor Education and Protection Fund |
| IFRS | International Financing Reporting Standards |
| Ind AS | Indian Accounting Standards |
| Indian GAAP | Generally accepted accounting principles followed in India. |
| Insider Trading Regulations | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time |
| ISIN | International Securities Identification Number |
| I.T. Act / IT Act | Income Tax Act, 1961 |
| I. T. Rules | Income Tax Rules, 1962, as amended from time to time. |
| KMP | Key Managerial Personnel |
| Lakh | One hundred thousand |
| LLP | Limited Liability Partnership |
| MAT | Minimum Alternate Tax |
| MCA | Ministry of Corporate Affairs, Government of India |
| MICR | Magnetic Ink Character Recognition |
| NACH | National Automated Clearing House which is a consolidated system of ECS. |
| NAV | Net Asset Value calculated as Net Worth divided by number of fully paid-up Equity Shares. |
| NCLT | National Company Law Tribunal |
| NCLAT | National Company Law Appellate Tribunal |
| NEFT | National Electronic Fund Transfer |
| N.A. | Not Applicable |
| NI Act | Negotiable Instruments Act, 1881 |
| NR | Non Resident |
| NRE | Non Resident External Account |
| NRI | Non Resident Indian |
| NSDL | National Securities Depositories Limited |
| OCB | Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Deposit) Regulations, 2000 and which was in existence on the date of the commencement of Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's)) Regulations, 2003 and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the regulations. |
| p.a. | Per Annum |
| PAN | Permanent Account Number |
| QIB | Qualified Institutional Buyer |
| RBI | Reserve Bank of India |
| RTGS | Real Time Gross Settlement |
| SCORES | SEBI Complaints Redress System |
| SCRA | Securities Contracts (Regulation) Act, 1956, as amended from time to time |
| SCRR | Securities Contracts (Regulation) Rules, 1957, as amended from time to time |
| SEBI | Securities and Exchange Board of India, constituted under the SEBI Act, 1992 |
| SEBI Act | Securities and Exchange Board of India Act 1992, as amended from time to Time |
| SEBI AIF Regulations | Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended from time to time |
| SEBI FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time |

| | |
|---|---|
| SEBI FVCI Regulations | Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended from time to time |
| SEBI ICDR Regulations / ICDR Regulations | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time |
| SEBI Listing Regulations/ Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time |
| SEBI SBEB Regulations | Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time |
| SEBI Takeover Regulations/ SAST Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time |
| SEBI VCF Regulations | Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended from time to time |
| STT | Securities Transaction Tax |
| TDS | Tax Deducted at Source |
| U.S/United States | The United States of America |
| UPI | Unified Payments Interface |
| USD / US\$ | United States Dollars |
| US Securities Act | The United States Securities Act of 1933, as amended from time to time |
| VCFs | Venture capital funds as defined in and registered with the SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be |

NOTICE TO INVESTORS

The distribution of the Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, the Application Form (collectively “**Issue Material**”) and the issue of Rights Equity Shares, to persons incertain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons intowhose possession this Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter or the Application Form may come are required to inform themselves about and observe such restrictions and other related legal requirements.

In accordance with the SEBI ICDR Regulations, Issue Material will be sent/dispatched by email and by courier to only to the Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. In case such Eligible Equity Shareholders who 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 email address, then the Issue Material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Shareholders, who do not update our records with their Indian address or the address of their duly authorised representative in India, prior to the date on which we propose to e-mail or send a physical copy of the Issue Material, shall not be sent the Issue Material.

Investors can also access the Issue Material from the websites of our Company, the Registrar, and the Stock Exchange. Our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue Material.

No action has been or will be taken to permit the Issue in any jurisdiction where any 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 the Issue Material or any offering materials or advertisements in connection with the Issue maynot be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicablein such jurisdiction. Receipt of the Issue Material will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Issue Material 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 the Issue Material should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Issue Material to any person outside India where to do so, would or might contravene local securities laws or regulations. If the Issue Material 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 the Issue Material.

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 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 the Issue Material nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company’s affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer or the date of such information.

THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS 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, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OF AMERICA OR THE TERRITORIES OR POSSESSIONS THEREOF (“**UNITED STATES**”), EXCEPT IN A TRANSACTION NOT SUBJECT TO, OR EXEMPT FROM, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT. THERE IS NO INTENTION TO REGISTER ANY PORTION OF THE ISSUE OR ANY OF THE SECURITIES DESCRIBED HEREIN IN THE UNITED STATES OR TO CONDUCT A PUBLIC OFFERING OF SECURITIES IN THE UNITED STATES. ACCORDINGLY, THE ISSUE MATERIAL SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

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.

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

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED, REDISTRIBUTED OR PASSED ON, DIRECTLY OR INDIRECTLY, TO ANY OTHER PERSON OR PUBLISHED, IN WHOLE OR IN PART, FOR ANY PURPOSE.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND CURRENCY OF PRESENTATION

Certain Conventions

All references to “India” contained in this Letter of Offer are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable. Unless otherwise specified or the context otherwise requires, all references in this Letter of Offer to the ‘US’, ‘U.S.A.’, ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions.

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

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

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

Financial Data

Unless stated otherwise or unless the context otherwise requires, the financial information and data in this Letter of Offer, with respect to our Company, is derived from our Audited Financial Statements for the financial year ended on March 31, 2025 and Unaudited Financial Results which have been prepared by our Company in accordance with Ind AS, Companies Act, and other applicable statutory and/or regulatory requirements (“**Financial Statements**”). We publish our financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited. For further details, please see the chapter titled “*Financial Statements*” beginning on page 103.

The Government of India has adopted the Indian accounting standards (“**Ind AS**”), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board (“**IFRS**”) and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the “**Ind AS Rules**”). The Audited Financial Statements for the financial year ended March 31, 2025 and Unaudited Financial Results for the nine months period ended December 31, 2024 of our Company have been prepared in accordance with Ind AS, as prescribed under Section 133 of Companies Act, 2013 read with the Ind AS Rules and other the relevant provisions of the Companies Act, 2013 and in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses(revised), 2019, issued by the ICAI. There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this 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 Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. For further information, see “*Financial Information*” beginning on page 103 of this Letter of Offer.

Our Company’s fiscal year commences on April 1 and ends on March 31 of the following calendar year. Accordingly, all references to a particular “Financial Year” or “Fiscal Year” or “Fiscal” are to the 12 (Twelve) months period ended March 31 of that year.

All numerical values as set out in this Letter of Offer, for the sake of consistency and convenience, have been rounded off to two decimal places. In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Currency of Presentation

- All references to ‘INR’, ‘₹’, ‘Indian Rupees’, ‘Rs.’ and ‘Rupees’ are to the legal currency of India.
- Any reference to ‘US\$’, ‘USD’, ‘\$’ and ‘U.S. dollars’ are to the legal currency of the United States of America.

Unless stated otherwise, throughout this Letter of Offer, all figures have been expressed in Rupees in Lakh.

Exchange Rate

The following tables provide information with respect to the exchange rate for the Indian rupee per unit of a foreign currency. The exchange rates are based on the reference rates released by the Reserve Bank of India or Financial Benchmarks India Private Limited, as the case may be. No representation is made that any rupee amounts could have been, or could be, converted into such foreign currency at any particular rate, the rates stated below, or at all.

(in ₹)

| Sr. No. | Currency | As on March 31, 2025 ⁽¹⁾ | As on December 31, 2024 ⁽¹⁾ | As on March 31, 2024 ⁽¹⁾ | As on March 31, 2023 ⁽¹⁾ | As on March 31, 2022 ⁽¹⁾ |
|---------|-------------|-------------------------------------|--|-------------------------------------|-------------------------------------|-------------------------------------|
| 1 | U.S. Dollar | 85.5814 | 85.6232 | 82.22 | 82.22 | 75.81 |

Source: RBI and FBIL reference rate www.rbi.org.in & www.fbil.org.in

(1) Represents the reference rate released by the RBI / FBIL on closing of the last Working Day of the period.

FORWARD LOOKING STATEMENTS

This Letter of Offer contains certain “forward-looking statements”. Forward looking statements appear throughout this Letter of Offer, including, without limitation, under the chapters titled “*Risk Factors*”, “*Our Business*” and “*Management Discussion and Analysis of Financial Condition and Results of Operations*” and “*Industry Overview*”. Forward-looking statements may 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.

Forward-looking statements contained in this Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our Company’s expectations include, among others:

1. Any adverse outcome in litigation proceedings involving our Company;
2. Any termination or non-renewal of insurance agreements may affect the business;
3. Any failure by our Company to obtain and thereafter, to maintain or renew the required licenses and approvals in a timely manner or at all;
4. Any adverse effect of changes in technology that may relate to our business;
5. Instance of delayed filing made on behalf of the Company under the SEBI Regulations;
6. Our ability to expand our geographical area of operation;
7. Effect of lack of infrastructure facilities on our business;
8. Our ability to handle cyber frauds, credit risk, implementation of business strategies and expansion plans;
9. Intensified competition in industries/sector in which we operate;
10. Our ability to attract, retain and manage qualified personnel;
11. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
12. 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;
13. Volatility of loan interest rates and inflation;
14. Inability to identify or effectively respond to customer needs, expectations or trends in a timely manner;
15. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;

Forward-looking statements reflect the current views of our Company as at the date of this Letter of Offer and are not a guarantee or assurance of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Accordingly, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct and given the uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements. None of our Company, our directors nor any of their respective affiliates has any obligation to update or otherwise revise any statements reflecting circumstances arising after the date of this Letter of Offer 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 will ensure that investors are informed of material developments from the date of this Letter of Offer until the time of receipt of the listing and trading permission.

SECTION II – SUMMARY OF LETTER OF OFFER

The following is a general summary of certain disclosures included in this Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer 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 this Letter of Offer, including the chapters, “Objects of the Issue”, “Outstanding Litigation and Other Defaults” and “Risk Factors” on pages 56, 116 and 20 respectively.

1. Primary Business of our Company

We are an NBFC not accepting Public Deposits bearing certificate of registration No: B-07.00141 issued by the Reserve Bank of India (“RBI”) on March 09, 1998 . We are a Non-Banking Financial Company (NBFC), registered with Reserve Bank of India and categorised as ‘Non-Systemically Important Non-Deposit taking Non-Banking Financial Company (‘NSI-ND-NBFC’). We are in the business of lending money or providing loans predominantly to retail customers. Our lending operations encompass both secured and unsecured loans, with all loan disbursements being made subsequent to the execution of a formal loan agreement.

2. Object of the Issue

The Net Proceeds are proposed to be utilized in accordance with the details set forth in the following table:

| (₹ in lakhs) | | |
|---------------------|--|------------------|
| Sr. No. | Particulars | Estimated Amount |
| 1. | To augment the capital base and to provide funds required for increasing our operational scale with respect to our NBFC activities | 1900.00 |
| 2. | General corporate purposes* | 672.00 |
| Net Proceeds | | 2572.00 |

* The amount to be utilized for general corporate purposes will not exceed 25% of the Gross Proceeds.

For further details, please see the chapter titled “Objects of the Issue” on page 56.

3. Intention and extent of participation by the Promoters and Promoter Group

Our Promoters and members of the Promoter Group vide their respective letters dated February 17, 2025 have confirmed that they along with the promoter group intend to subscribe in the issue, to the full extent of their Rights Entitlements and have also confirmed that they shall not renounce their Rights Entitlements (except to the extent of renunciation by any of them in favour of Promoter or member of the Promoter Group).

Further, they reserve the right to apply for, and subscribe to, additional Rights Equity Shares, including subscribing to the unsubscribed portion (if any), subject to compliance with the minimum public shareholding requirement prescribed under the SCRR and the SEBI Listing Regulations.

The acquisition of Rights Equity Shares by our Promoters and our Promoter Group, over and above its Rights Entitlements shall not result in a change of control of the management of our Company and shall be in compliance with the SEBI SAST Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under the Applicable Law.

For further details, please see the chapter titled “Capital Structure” beginning on page 53.

4. Summary of Audited Financial Information

Following are the details as per the Audited Financial Information as at and for the Financial Years ended on March 31, 2025 and March 31, 2024 and Unaudited Financial Results for nine months period ended December 31, 2024

(₹ In Lakhs unless Specified)

| Sr. No. | Particulars | Unaudited As on December 31, 2024 | Audited March 31, 2024 | Audited March 31, 2025 |
|---------|---|-----------------------------------|------------------------|------------------------|
| 1. | Authorised Share Capital | 2500.00 | 2500.00 | 4000.00 |
| 2. | Paid-up Capital | 1280.00 | 1240.00 | 1280.00 |
| 3. | Total Revenue | 1,104.02 | 746.75 | 1714.72 |
| 4. | Profit after Tax | 450.76 | 213.77 | 516.91 |
| 5. | Total other comprehensive income / (loss) for the quarter/ year | 0.00 | 0.00 | 0.00 |
| 6. | Total comprehensive income / (loss) for the quarter/ year | 450.76 | 213.77 | 516.91 |
| 7. | Earnings per Share (basic & diluted) (in ₹) | 3.52 | 1.72 | 4.04 |
| 8. | Net Asset Value per Equity Share | 16.46 | 12.55 | 18.46 |
| 9. | Net Worth | 2107.49 | 1556.72 | 2362.75 |
| 10. | Total Borrowings | 1308.00 | 1035.7 | 2106.70 |

5. Summary of outstanding litigations

The following table sets forth the summary of outstanding litigations by and against our Company, our directors and our promoters as on the date of this Letter of Offer:

(₹ in Lakhs)

| Nature of Cases/Claim | Number of cases outstanding | Amounts involved* |
|---|-----------------------------|-------------------|
| <i>Litigation involving our company</i> | | |
| Criminal proceedings against our Company | Nil | Nil |
| Criminal proceedings by our Company | Nil | Nil |
| Material civil litigation against Company | Nil | Nil |
| Material civil litigation by our Company | Nil | Nil |
| Actions by statutory or regulatory authorities | Nil | Nil |
| Direct and indirect tax demands | 1 | 21.54 |
| <i>Litigation involving our Directors</i> | | |
| Criminal proceedings against our directors | Nil | Nil |
| Criminal proceedings by our directors | Nil | Nil |
| Material civil litigation against our directors | Nil | Nil |
| Material civil litigation by our Directors | Nil | Nil |
| Actions by statutory or regulatory authorities | Nil | Nil |
| Direct and indirect tax demands | Nil | Nil |
| <i>Litigation involving our Promoters</i> | | |
| Criminal proceedings against our Promoters | Nil | Nil |
| Criminal proceedings by our Promoters | Nil | Nil |
| Material civil litigation against our Promoters | Nil | Nil |
| Material civil litigation by our Promoters | Nil | Nil |
| Actions by statutory or regulatory authorities | Nil | Nil |
| Direct and indirect tax demands | Nil | Nil |

*To the extent quantifiable

For further details, please see the chapter titled “Outstanding Litigations and Other Defaults” beginning on page 116.

6. Risk Factors

For details of the risks associated with our Company, please see the section titled “Risk Factors” beginning on page 20.

7. Contingent liabilities

For details of contingent liabilities for the FY 2024-25, please see the section titled “*Financial Information*” beginning on page 103.

8. Related party transactions

For details of related party transactions for the FY 2024-25, please see the section titled “*Financial Information*” beginning on page 103.

9. Issue of Equity Shares for consideration other than cash in last one year

Our Company has not issued any Equity Shares for consideration other than cash during the last one year immediately preceding the date of this Letter of Offer.

SECTION III - RISK FACTORS

An investment in the equity shares involves a high degree of risk. You should carefully consider all information in this Letter of Offer, including the risks and uncertainties described below and “Financial Statements” on page 103 of this Letter of Offer, before making an investment in the Equity Shares. Additionally, the risks set out in this section may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future which may impair our business, cashflows, prospects, result of operations and financial condition. In order to obtain a complete understanding about us, investors should read this section in conjunction with “Industry Overview”, “Our Business” and “Management Discussion and Analysis of Financial Condition and Results of Operations” on page 67, 81 and 106 respectively, included in this Letter of Offer. If any or a combination of the following risks or other risks that are not currently known or are now deemed immaterial actually occurs, our business, cash flows, prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of their investment. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below. In making an investment decision, prospective investors must rely on their own examinations and the terms of the Issue, including the merits and the risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue.

However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the consequences to you of an investment in this Issue. The following factors have been considered for determining the materiality: (1) some events may not be material individually but may be found material collectively; (2) some events may have material impact qualitatively instead of quantitatively; and (3) some events may not be material at present but may have material impact in future.

This Letter of Offer also contains forward-looking statements which involve risks 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 elsewhere in this Letter of Offer. For further details, please see the chapter titled “Forward-Looking Statements” beginning on page 15.

Our financial year ends on March 31 of each year, so all references to a particular Fiscal are to the 12 months ended March 31 of that year. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Audited Financial Statements and Unaudited Financial Results, which are included in “Financial Information” on page 103 of this Letter of Offer.

INTERNAL RISK FACTORS

1. Our company's reliance on sub-debt financing from several individuals poses several risk factors as there is significant Increase in Sub-Debt Raises Concerns about Company's Financial Stability and Ability to meet Debt Obligations.

Our company's sub-debt has increased significantly from ₹ 1035.70 Lakhs as of March 31, 2024, to ₹ 2006.70 Lakhs as of March 31, 2025, representing a more than three-fold increase in just one year. The company's ability to service its sub-debt obligations may be strained, given the significant increase in debt levels. The company's cash flows may be insufficient to meet the increased interest and principal payments, leading to a higher risk of default. Furthermore, the company's reliance on sub-debt financing may indicate a lack of access to more conventional and potentially less expensive forms of financing, which could be a sign of underlying financial weakness. The significant increase in sub-debt also raises concerns about the company's capital structure and its ability to manage its debt levels effectively. Additionally, the company's creditworthiness may be impacted by the rapid growth in sub-debt, potentially leading to higher borrowing costs and reduced access to credit in the future. The company's ability to meet its financial obligations, including its sub-debt obligations, is critical to its ongoing viability, and the significant increase in sub-debt highlights the need for close monitoring of the company's financial position and debt management practices.

Moreover, subordinate debt accounts for approximately 47.14% (₹2006.7 lakhs / ₹4256.96lakhs) of the total loan portfolio, which is a significant portion of the company's financial structure. Any delay in repayment or non-payment could harm the company's credibility and ability to raise future capital. In this context, the company's liquidity position could become strained, especially if the need to repay the ₹2006.7 lakhs in subordinate debt arises before sufficient funds are generated from the loan portfolio. This could lead to

operational disruptions and affect the company's ability to maintain smooth operations. Fluctuations in interest rates also pose a potential risk to the company's financial performance. As interest rates rise, the cost of servicing the subordinate debt could increase, which may reduce overall profitability.

Being a Non-Banking Financial Company (NBFC), the company is subject to a variety of regulatory and compliance requirements. Any changes in the regulatory framework or increased scrutiny on lending practices could impact the company's ability to operate smoothly. New regulations or tax laws may impose additional costs or restrictions, which could reduce profitability or constrain the company's lending capacity. Moreover, failure to comply with regulatory requirements could result in fines, penalties, or restrictions on operations, further stressing the company's financial position.

2. *The quality of our portfolio may be impacted due to higher levels of NPAs and our business may be adversely affected if we are unable to provide for such higher levels of NPAs.*

Our ability to manage the credit quality of our loans, which we measure through assets that are more than 90 days past due date ("DPD") and Non-Performing Assets ("NPAs"), is a key driver of our results of operations. As of March 31, 2025, our Stage 3 assets and NPAs also include loans that have been 90 DPD and have rolled back but not become current. Set forth below are details of our asset quality ratios:

| Particulars | As on March 31 | | |
|------------------------|----------------|-------|-------|
| | 2025 | 2024 | 2023 |
| Gross NPA (₹ in Lakhs) | 218.98 | 90.86 | 70.26 |
| Gross NPA Ratio (in %) | 5.04 | 3.51 | 4.93 |
| Net NPA (₹ in Lakhs) | 134.88 | 23.05 | 0.00 |
| Net NPA Ratio (in %) | 3.17 | 0.91 | 0.00 |

- (1) *Gross NPA represents Gross Loan Book pertaining to loans which are required to be classified as NPA as per the Income Recognition, Asset Classification and Provisioning norms issued and modified by RBI from time to time.*
- (2) *Gross NPA ratio (%) represents the Gross NPA to the Gross Loan Book as of the last day of the relevant period.*
- (3) *Net NPA represents Gross NPA reduced by NPA provisions as of the last day of relevant period*
- (4) *Net NPA ratio (%) represents the Net NPA to the Gross Loan Book as of the last day of the relevant period.*

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.

There can be no assurance that we will be able to maintain our NPA ratios at levels with the credit performance of our customers, or at which our credit and our underwriting analysis, servicing and collection systems and controls will be adequate. Further, our peers may have better asset quality, with lower GNPA and NNPA ratios than us, which may in turn lead to high profitability and low provisioning requirements. In the event of any further deterioration in our NPA portfolio, or if our provisioning coverage is insufficient to cover our existing or future levels of NPAs, our ability to raise additional capital and debt funds as well as 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. *Majority of the loans granted by us are unsecured and our inability to assess and recover the full value amounts outstanding under defaulted loans in a timely manner, or at all, could adversely affect our business, results of operations and financial condition.*

As of March 31, 2025, an amount of ₹ 4256.96 Lakhs granted by us as loans constituting 100% of our Gross Loan Book was unsecured. We may not be able to recover these loans through our standard recovery proceedings. These unsecured loans present a higher risk of loss in case of a credit default and consequently, should any default arise, In addition, there can be no assurance that our monitoring and risk management procedures will be successful or that our loan loss reserves will be sufficient to cover any actual losses. If we are unable to recover payments under unsecured loans, and initiate legal action in respect of dishonoured non-cash instruments such legal proceedings may not be commercially feasible or conclude in a manner favorable to us in a timely manner or at all. If there is a default by customers on repayment of such unsecured loans or if we are unable to recover our principal and interest through such legal proceedings, we may experience increased levels of NPAs and we may be required to make related provisions and write-offs. we may not be able to enforce any security and unable to recover any of our loans at all. This could lead to a material adverse effect on our results and financial condition.

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. ***We as an NBFC have to adhere to certain exposure limits and prudential norms as approved by the Board of Directors of our Company and the regulatory authorities. Any change in the regulatory regime viz net owned funds, provisioning norms, prudential norms on asset classification, income recognition, provisioning etc. may adversely affect our business, financial condition and results of operations.***

We as an NBFC company are subject to strict adherence with the exposure limits and have to comply with the prudential norms stipulated by the Reserve Bank of India while carrying on our business. Any change in these norms particularly with regard to the maintenance of net owned funds, asset classification, income recognition, provisioning etc., amongst others could have an adverse material impact on our business, financial condition and results of operations.

8. ***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. Inability to meet the prescribed norms/ criteria, can adversely affect the operations and profitability of our Company.

9. ***The Remuneration of our Managing Director and Whole-Time Director was recently increased through a postal ballot dated January 08, 2025. While the approval was obtained in compliance with applicable laws and corporate governance requirements, there are several risks associated with this change that could impact the company.***

The increase in the remuneration of key executives may raise concerns among shareholders, investors, and other stakeholders, particularly regarding the alignment of executive compensation with the company’s financial performance. Discontent or dissatisfaction among stakeholders over perceived excessive executive pay could negatively affect investor confidence, potentially leading to a decline in share price or shareholder activism.

Changes in executive compensation are subject to scrutiny by regulatory bodies and may attract attention from governance watchdogs. The increase in remuneration could potentially be viewed as not in line with industry standards or market conditions, leading to heightened scrutiny from regulators or corporate governance institutions. This could result in reputational damage or even legal challenges if the increase is deemed excessive or not adequately justified.

An increase in executive remuneration could place additional financial strain on the company, particularly if it is not accompanied by corresponding improvements in performance or profitability. If the company’s financial results do not justify the higher compensation, it may lead to concerns regarding the effective allocation of resources and the company’s ability to maintain cost discipline.

The increase in the remuneration of senior management may create a disparity between executive compensation and that of other employees, potentially affecting employee morale and retention. If other employees perceive an inequitable distribution of compensation, it could result in dissatisfaction, lower productivity, or challenges in talent retention across the organization.

The recent increase in remuneration may set a precedent for future executive compensation increases, which could become a point of contention if not properly aligned with company performance and market conditions.

This could create long-term pressures on the company's financial management and complicate future negotiations with shareholders, employees, and other stakeholders.

10. *Our business strategies and expansion plans may be subject to various unfamiliar risks and may not be successful.*

Our business strategies include entering into new business ventures, widening our customer base by entering into new geographies and strengthening our relationships with our existing clients. For further details, see "Our Business" on page 81 of this Letter of Offer. These strategies require us to expand our operations to other geographical areas and in new industry verticals. Risks that we may face in implementing our business strategy in these markets may substantially differ from those previously experienced, thereby exposing us to risks related to new markets, industry verticals and clients. The commencement of operations beyond our current markets and industry verticals is subject to various risks including unfamiliarity with pricing dynamics, competition, service and operational issues as well as our ability to retain key management and employees. There can also be no assurance that we will not experience issues such as capital constraints, difficulties in expanding our existing operations and challenges in training an increasing number of personnel to manage and operate our expanded business, or that we will be able to successfully manage the impact of our growth on our operational and managerial resources and control systems. We may not be able to successfully manage some or all of the risks associated with such an expansion into new geographical areas and new industry verticals, which may place us at a competitive disadvantage, limit our growth opportunities and materially and adversely affect our business, results of operations and financial condition.

11. *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.

12. *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.

13. *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.

14. 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.

15. Any inability on our part to effectively utilize the Issue Proceeds could adversely affect our financial results. The objects of the Issue are based on the internal estimates of our management and have not been appraised by any bank or financial institution.

The objects of the Issue are based on management estimates and have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financial results. Utilization of Issue proceeds would be disclosed to our Company's shareholders in the manner required under the SEBI LODR Regulations. For further details, please see to the section titled "Objects of the Issue" on page 56 of this Letter of Offer.

16. We may experience difficulties in expanding our financial 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.

17. System failures or inadequacy and security breaches in computer systems may adversely affect our business.

Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond our control including a disruption of electrical or communications services. Our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis. Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security. Any failure to effectively maintain or improve or upgrade our management information systems in a timely manner could materially and adversely affect our competitiveness, financial position and

results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation. In addition, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our businesses and the localities in which we are located.

We store customers' bank information, credit information and other sensitive data. Any accidental or wilful 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.

18. *We have not commissioned an industry report for the disclosures made in the section titled 'Industry Overview' and made disclosures based on the data available on the internet and such third-party 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 section titled "Industry Overview" on page 67 of this Letter of Offer. We have made disclosures in the said section based on the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such third-party data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Letter of Offer. Further, the industry data mentioned in this Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Letter of Offer in this context.

19. *We may experience difficulties in expanding our business into new regions and markets in India.*

Currently, our distribution networks are concentrated in Kerala, Tamil Nadu, and Karnataka. As part of our growth strategy, we strive to evaluate attractive growth opportunities to expand our business into new regions and markets in India. Factors such as competition, culture, regulatory regimes, business practices & customs and customer requirements in these new markets may differ from those in our current markets and our experience in our current markets may not be applicable to these new markets. In addition, as we enter new markets and geographical regions, we are likely to compete with other banks and financial institutions that already have a presence in those geographies and markets and are therefore more familiar with local regulations, business practices and customs and have stronger relationships with customers. Our business may be exposed to various additional challenges including obtaining necessary governmental approvals, successfully gauging market conditions in local markets with which we have no previous familiarity; attracting potential customers in a market in which we do not have significant experience or visibility; being susceptible to local taxation in additional geographical areas of India and adapting our marketing strategy and operations to different regions of India in which different languages are spoken. Our inability to expand our current operations may adversely affect our business prospects, financial conditions and results of operations.

20. *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.

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

We have entered into certain related party transactions as on the date of this Letter of Offer. While we believe

that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. For further details, please refer to the chapter titled — "Financial Information- Related Party Transactions" at page 103 of this Letter of Offer.

22. *Our company may face challenges due to rapid workforce expansions.*

As of March 31, 2024, JMJ Fintech Limited had a total of 30 employees. By December 31, 2024, this number increased to 131, primarily due to the expansion of our branch network. After March 31, 2025, our company undertook a strategic expansion plan, resulting in the opening of 15 new branches across our key operational regions. This expansion necessitated substantial hiring across various roles, including branch managers, customer service executives, sales personnel, and administrative staff, to support the operations of these newly established branches.

The significant increase in headcount poses several risks, including integration and training challenges, which could lead to potential inefficiencies and disruptions in operations. The significant increase in the number of employees will result in higher operational costs, including salaries, benefits, and other related expenses, making effective cost management crucial to maintaining profitability. Additionally, with the rapid increase in the number of employees, there may be challenges in providing effective management and supervision, potentially impacting employee productivity and performance. Ensuring that sufficient resources are available to support the increased workforce, such as adequate office space and equipment, could also be difficult. The company may face challenges in retaining newly hired employees, particularly if the integration process is not smooth or if the work environment does not meet their expectations.

Finally, the increase in the number of employees necessitates compliance with all relevant labor laws and regulations, as failure to do so could result in legal and financial consequences. While the increase in headcount aligns with our growth strategy and was a necessary step to ensure operational efficiency, enhanced customer service, and a strong presence in new markets, these risks must be carefully managed to ensure the successful implementation of our expansion plan.

23. *Notice received from any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity.*

A Notice under Rule 4 (1) of the SEBI (Procedure for Holding Inquiry and Imposing penalties) Rules, 1995 in the matter of MEENAKSHI ENTERPRISE LIMITED vide Notice No. SEBI/HO/IMD/FPI&C/CM/2021/32780/1 dated November 17, 2021 for non-compliances of Regulation 3(a), (b), (c), (d) and 4(1), 4 (2)(a) of Securities Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating To Securities Market) Regulations, 2003 has been received by the company in the matter of trading in illiquid stock options on the Bombay Stock Exchange Ltd. ("BSE").

24. *An order passed by regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity.*

Consequent upon receipt of notice as mentioned in the point number 23 under risk factor, our company has filed application under the SEBI Settlement Scheme – 2022 and the SEBI has issued settlement order bearing order number SO/AB/EFD2/2022-23/7162 for the involvement of the company in generation of artificial volumes by executing non-genuine/reversal trades in violation of Regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003. SEBI has reached to settlement for the instant issue vide consent order with settlement cost of Rs.1,00,000/-.

Further, Upon application filed by the Company, SEBI has issued settlement order bearing number - SM/EAD-12/ 30 /2018-19 with the cost of Rs. 10,15,292/- (Rupees Ten Lakh Fifteen Thousand Two Hundred Ninety-Two Only) against the matter of violation of the provisions of Regulation 8(3) of SEBI (Substantial Acquisition of Shares and Takeover Regulations), 1997.

Further, Upon application filed by the Company, again, SEBI has issued settlement order bearing number EAD-2/AO/DSR/BKM/570-576/2016 against the violation of Regulation 30(1), 30(2) read with 30(3) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

against the notice issued by SEBI bearing notice number EAD-2/DSR/BKM/10516/2015 dated April 15, 2015. SEBI has reached to settlement of the instant violation with the monetary settlement of Rs. 2,00,000 (Rupees Two Lakh Only).

25. *Mr. Sajeeth Mohammed Salim has been Reclassified from the promoter category to public category which may impact the market price of the shares.*

The reclassification of our promoters to public shareholders may lead to a loss of control and a change in management, which could have a material adverse effect on our business and operations. It may attract regulatory scrutiny and potentially lead to non-compliance with regulatory requirements, which could result in fines or other penalties. The reclassification of our promoters may lead to a decline in our corporate governance standards, which could negatively impact our reputation and ability to attract investors.

Mr. Sajeeth Mohammed Salim, promoter of the company has been recently classified from the Promoter category to public category which may impact the market price of the company, this event resulted in to reduction of promoter holding in the company which consequently reduce the confidence of stakeholders in the company which might affect the price traded on the stock exchange.

26. *Our Promoter and Managing Director namely Mr. Joju Madathumpady Johny have offered guarantees in relation to the inter corporate finances upto a limit to Rs. 400.00 Lakhs availed by our Company from JMJ Finance, to secure the interests of our lender.*

With respect to the sanctioned loan amounting upto a limit of ₹400.00 Lakhs from JMJ Finance Limited (“Lender”), we have secured the loan by way of creating a charge on certain assets of our Company and same was guaranteed by our promoter and managing director Mr. Joju Madathumpady Johny. In case our Company is not able to repay loans in time, the same may amount to a default under the loan documentation and the loans granted to us may be recalled with penal interest. The lender(s) may also enforce their rights over charged properties, which in turn could severely affect our business operations and financial condition. In addition to the above, our loan documentation includes certain conditions and covenants that require us to obtain consents from the lender bank prior to carrying our certain activities like change in the ownership/control/management. The lender also has the right to revoke the credit facilities at any time. Any failure to comply with any condition or covenant under loan documentation that is not waived by the lender bank may lead to the termination of our credit facilities which may adversely affect our ability to conduct our business and operations. In the event that we default in repayment of the financial facilities availed by us and any interest thereof, our lender(s) may enforce their rights over charged properties, which in turn could have significant adverse effect on our business operation and financial condition.

Further, our Promoter have offered personal and corporate guarantees in relation to the secured debt facilities availed by our Company. In case of Mr. Joju Madathumpady Johny, withdraw or terminate their guarantees or are unable to honor their respective obligations, the lender(s) for such facilities may demand substitute guarantees or immediate repayment of or acceleration of amounts outstanding under such debt facilities or terminate such facilities. In the event we are not successful in procuring guarantees to the satisfaction of the lender(s) in a timely manner or at all, we may need to repay the amounts outstanding under such loan facilities or seek alternate sources of funds, which could adversely affect our financial condition.

27. *Our company have hypothecated book debts of the company @ 200% of the loan amount against the sanctioned loan limit of Rs. 400.00 Lakhs (Rupees Four Crore Only) from JMJ Finance Limited.*

Our company has obtained sanction for Intercompany loan upto an amount of Rs. 400.00 Lakhs (Rupees Four Crore Only) from company named JMJ Finance Limited by way of hypothecation of its book debts. Company is required to create charge on the book debts which shall be registered with the Registrar of Companies, Kerala. The clause of this agreement also contains the Guarantee to be provided by the Managing Director of the company Mr. Joju Madathumpady Johny. The MD's personal guarantee may put their personal assets at risk in the event of default, which could lead to a conflict of interest. The charge on book debts may limit the company's ability to use its assets as collateral for other loans or financing arrangements. The loan from the group company may be considered a related-party transaction, which could lead to conflicts of interest and potentially unfavorable terms. The company may face difficulties in repaying the loan, which could lead to a restructuring of the loan terms or even bankruptcy

28. *Our business operates on a high volume-low margin model, which may impact our overall profitability.*

Our business operates on a high volume-low margin model, which inherently carries certain risks that may

impact our overall profitability and long-term sustainability. These risks include:

Profitability Pressure: The low-margin nature of our business necessitates maintaining high volumes of disbursements to achieve desired profit levels. A decline in loan disbursements due to changes in demand, competition, or operational inefficiencies can have a material impact on profitability.

Cost Sensitivity: Our low-margin operations, even minor increases in operating costs, such as funding costs, employee expenses, or compliance costs, can significantly erode profits and impact financial performance.

Credit risk: Our high-volume lending exposes us to increased credit risk. A deterioration in the creditworthiness of borrowers, higher defaults, or economic downturns could lead to a rise in non-performing assets (NPAs), adversely affecting profitability and asset quality.

Market Demand Fluctuations: significant changes in market demand for financial products due to economic slowdowns, shifts in consumer borrowing behavior, or increased competition can lead to lower disbursement volumes, reducing our revenue and profitability.

Cash Flow and Liquidity Management: Rapid loan disbursement cycles require effective cash flow management. Any mismatch in cash inflows and outflows, or delays in repayments, may strain liquidity and impact the company's ability to meet its financial obligations.

Scalability challenges: Scaling our loan portfolio comes with operational and risk management challenges, such as maintaining asset quality, managing credit risks, and ensuring compliance with regulatory requirements. Failure to address these challenges could limit growth and profitability.

Regulatory and Compliance Risks: As an RBI-regulated NBFC, we are subject to stringent regulatory and compliance requirements. Changes in regulations, increased compliance costs, or non-compliance with existing norms could lead to fines, penalties, or operational restrictions, affecting profitability.

Technological Adaption: The financial services industry is witnessing rapid technological advancements. To remain competitive, we must continuously invest in technology for digital lending, risk management, and operational efficiency. Failure to adapt to new technologies or disruptions in existing systems could reduce our competitiveness and profitability.

Concentration Risk: Operating on a high-volume model requires diversification across products, geographies, and customer segments. Any over-reliance on a particular product or market segment may increase vulnerability to localized risks, adversely impacting financial stability.

Economic Volatility: Broader economic factors such as inflation, interest rate fluctuations, and geopolitical instability may influence borrowing costs, consumer behavior, and overall loan demand, thereby affecting margins and profitability.

29. *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. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility 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.

There are 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.

30. *We require certain approvals, licenses, registrations and permits to operate our business, and failure to obtain or renew them in a timely manner or maintain the statutory and regulatory permits and approvals required to operate our business may adversely affect our operations and financial conditions. –*

Our business operations depend on obtaining and maintaining various approvals, licenses, registrations, and permits. Failure to obtain or renew these in a timely manner, or to maintain compliance with statutory and regulatory requirements, may adversely affect our operations and financial condition. Without the necessary approvals and permits, we may be forced to halt or scale back operations, leading to production delays and potential loss of revenue. Non-compliance with regulatory requirements can result in fines, penalties, and legal actions, negatively impacting our profitability and overall financial health. Furthermore, failure to comply can harm our reputation, leading to a loss of customer trust, reduced sales, and difficulties in attracting or retaining customers. Navigating the complex regulatory landscape can incur significant costs in legal fees, compliance measures, and administrative efforts, straining our financial resources. Additionally, changes in laws and regulations can introduce new requirements or alter existing ones, necessitating additional approvals or modifications to current permits, which can be costly and time-consuming.

Our ability to operate smoothly also depends on the efficiency and responsiveness of government agencies in processing our applications and renewals. Delays or inefficiencies in these processes can disrupt our business activities. Certain markets may have specific regulatory requirements, and failure to meet these can limit our ability to enter or expand in these markets, affecting growth opportunities. Conditions or restrictions attached to permits and licenses can limit our operational flexibility, affecting our ability to respond to market changes or implement strategic initiatives. Furthermore, permits and licenses can be revoked if we fail to comply with regulatory standards or if there are changes in regulatory policies, leading to significant operational and financial setbacks. Regulatory approvals are also critical in mergers and acquisitions, and delays or issues in obtaining necessary approvals can hinder our strategic growth plans and affect business continuity. To mitigate these risks, it is essential to maintain a robust compliance program, actively monitor regulatory changes, and ensure timely renewals and adherence to all statutory requirements. Proactive engagement with regulatory bodies and a strong internal compliance culture are vital to safeguarding our operational and financial stability.

31. *There has been an instance of delayed filing made by our Company under the SEBI Listing Regulations.*

Our Company has made all requisite filings as required under the SEBI Regulations as applicable, for the last one year immediately preceding the date of filing of the Letter of Offer with BSE except for 1 (one) instance of non-compliance with requirement of disclosure by company within stipulated time under Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

32. *Our Company has experienced negative cash flow in the past and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.*

Our Company has experienced negative net cash flow in operating activities in the recent past, the details of which are provided below:

| Particulars | Audited | | |
|--|----------------|----------------|----------------|
| | March 31, 2025 | March 31, 2024 | March 31, 2023 |
| Net Cash Flow from / (used in) Operating Activities | -933.04 | -836.15 | -262.83 |
| Net Cash Flow from / (used in) Investment Activities | -51.53 | -18.75 | -78.54 |
| Net Cash Flow from / (used in) Financing Activities | 1171.00 | 736.60 | 299.10 |

Our Company is currently experiencing negative cash flow due to several key reasons. Firstly, our company generates revenue by lending money to customers and earning interest on these loans. When we disburse a large volume of loans, it results in a significant cash outflow, reducing the operating cash flow in the short term. This is a normal operational characteristic of lending institutions, especially if they are in a growth phase and expanding their loan portfolio. Additionally, while loans are disbursed immediately, the repayment (EMIs) from borrowers is received over an extended period, creating a temporary cash flow mismatch as the outflow (loan disbursement) is immediate, while inflows (EMIs) are staggered over months or years. Moreover, JMJ Fintech uses subordinated debt as debt instruments to finance loan disbursements, and as the interest costs on borrowings rise faster than loan repayments, the operating cash flow may remain negative. Finally, JMJ Fintech is aggressively expanding by issuing more loans, leading to a negative operating cash flow in the short term. However, as EMIs and interest payments start coming in, the cash flow position should improve over time.

We may incur negative cash flows in the future which may have a material adverse effect on our business, prospects, results of operations and financial condition.

33. Our financial indebtedness could adversely affect our ability to react to changes in our business, and we may be limited in our ability to use debt to fund future capital needs.

As on March 31, 2025, our Company has total outstanding borrowings (fund based as well as non-fund based) including outstanding interest of ₹ ₹4256.96 lakhs. Our substantial indebtedness could:

- require us to dedicate a substantial portion of our cash flow operations to payments in respect of our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures and other general corporate expenditures;
- increase our vulnerability to adverse general economic or industry conditions;
- limit our flexibility in planning for or reacting to, competition and/or changes in our business or our industry;
- limit our ability to borrow additional funds; and
- Place us at a competitive disadvantage relative to competitors that have less debt or greater financial resources.

We cannot assure that we will be able to generate enough cash flow from operations or that we will be able to obtain enough capital to service our debt. If we cannot obtain alternative sources of financing or our cost of borrowings become significantly more expensive, then our financial condition and results of operations will be adversely affected.

34. Our Company has not yet applied for the registration of the logo or any of the intellectual property that it uses with the registrar of Trademarks.

Our Company has not yet applied for the registration of the logo i.e.  or any of the intellectual property that it uses. Any failure to get the same registered in our name may cause any third-party claim and may lead to litigation and our business operations could be affected. Even if our trademarks are registered, we may not be able to detect any unauthorized use or infringement or take appropriate and timely steps to enforce or protect our intellectual property, nor can we provide any assurance that any unauthorized use or

infringement will not cause damage to our business prospects.

- 35. *Our business prospects and continued growth depends on our ability to access financing at competitive rates and competitive terms. We may not be able to avail the requisite amount of financing or obtain financing at competitive interest rates for our growth plans, in the future, or any increase in interest rates which could have a material adverse effect on our business, results of operations and financial condition.***

Our business depends on our ability to obtain funds at competitive rates. Our secured borrowings have been availed at a floating rate of interest. Any fluctuations in interest rates may directly impact on the interest costs of such loans and could adversely affect the results of operations. A material portion of our expected cash flow may be required to be dedicated to payment of interest on our indebtedness which will also reduce the funds available to us for use in general business operations. The cost and availability of funds, amongst other factors, are also dependent on our current and future results of operations, financial conditions, and our ability to effectively manage risks. We may not be able to avail the requisite amount of financing or obtain financing at competitive interest rates if we fail to have favourable results of operations which could lead to high borrowing costs and limit our access to lending markets, as a result, could adversely affect our business.

- 36. *Any regulatory actions and penalties for any past or future non-compliance may adversely affect our business or reputation, or both.***

We have to comply with numerous regulatory filings, maintenance of record etc under the Companies Act, 2013, Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (“SEBI Listing Regulation”), Securities Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulation, 2011, Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and any other laws and regulation as applicable. Any non-compliance of the applicable laws they may impose the penalty on the Company. Such penalty may impact the profitability of the Company.

- 37. *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.***

We have not paid any dividend during the last 3 years. Our Company may retain all our future earnings, if any for use in the operations, and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholder’s investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate.

- 38. *Our profit margins may be adversely affected due to increases in labour costs/ employee benefit expense in India.***

We are a labor-intensive business, and our success partly depends on our ability to manage our labour costs. Employee benefits expense represents a significant portion of our cost base and an increase in wages and salaries may adversely impact our profit margins. Government regulation, wage inflation and other macroeconomic factors that are beyond our control may cause salaries and wages of our employees to increase. Apart from salaries and wages, our employee benefits expense includes pension and other post-employment benefit plans that are dependent on government regulation and are difficult to predict. For instance, the Supreme Court of India in a decision delivered in *The Regional Provident Fund Commissioner (II) West Bengal v. Vivekananda Vidyamandir & Ors*, dated February 28, 2019 clarified the components of basic wages which need to be considered by companies while making employee provident fund payments, which resulted in an increase in the employee provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations.

Furthermore, in Fiscal 2021, the Parliament of India approved the Code on Social Security, 2020 (the “Code on Social Security”) and received the assent of the President of India on September 28, 2020, which would impact the contributions we make towards provident fund and gratuity. The Code on Social Security proposes to subsume several separate legislations including the Employee’s Compensation Act, 1923, the Employees’ State Insurance Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, the

Employment Exchanges(Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, the Payment of Gratuity Act,1972, the Cine-Workers Welfare Fund Act, 1981, the Building and Other Construction Workers' Welfare Cess Act,1996 and the Unorganised Workers' Social Security Act, 2008. While the rules for implementation under the Code on Social Security have not been notified, we are yet to determine the impact of all or some such laws on our business and operations. As a result, our future pension and post-employment contributions could be significantly higher than current estimates and if such additional contributions materialize, it could have an adverse effect on our financial performance.

39. *Inability to attract, develop or retain skilled or qualified employees could negatively impact our business.*

We depend on the capabilities and performance of our executive officers and employees. Competition for skilled employees in the Banking and Finance industry is intense, and there can be no assurance that we will be successful in recruiting, training and retaining the personnel required to successfully conduct our operations. Failure to recruit, retain, train or manage qualified employees or managerial staff could have a material adverse effect on our business, results of operations or financial condition.

40. *Our Company has entered into certain related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders*

Our Company has entered into various transactions with related parties. While all such transactions have been entered into and executed on an arm's length basis, we cannot assure that we might have obtained more favourable terms had such transactions been entered into with unrelated parties. Further, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will always be in the best interest of our minority shareholders and will not have an adverse effect on our business, results of operations, financial condition, and cash flows. In the event any conflict of interest arises between us, or to the extent that competing products offered by any of our related parties erode our market share, we may not be able to effectively manage any such conflict or competitive pressures and consequently, our business, results of operation and financial condition may be adversely affected. For further details, please see the section titled "Financial Information" beginning on page 103.

41. *Non-receipt of complete Call Money may have an impact of a consequential shortfall in Net Proceeds.*

The Call(s) shall be deemed to have been made at the time when the resolution authorising such Call is passed at the meeting of our Board. The Call(s) may be revoked or postponed at the discretion of our Board, from time to time. Our Company, at its sole discretion, may send one or more reminders for the Call(s) as it deems fit, and if it does not receive the Call Money as per the timelines stipulated, it would forfeit the Application Money. Non-receipt of complete Call Money and a consequential forfeiture of the Application Money may lead to a shortfall in the Net Proceeds, which may have to be met out of internal accruals and may impact our business and our growth plans. For details, see 'Objects of the Issue' on page 56.

As per Regulation 89 of SEBI ICDR, 2018, since the Company proposes to receive subscription monies in calls, it is hereby ensure that the outstanding subscription money shall be called within twelve months from the date of allotment in the issue and if any applicant fails to pay the call money within the said twelve months, the equity shares on which there are calls in arrear along with the subscription money already paid on such shares shall be forfeited.

42. *Misconduct or errors by manpower engaged by us could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.*

Misconduct or errors by manpower engaged by us could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such misconduct includes breach of security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. Consequently, our ability to control the workplace environment in such circumstances is limited. The risks associated with the deployment of manpower engaged by us across locations include, among others, possible claims relating to; actions or inactions, including matters for which we may have to indemnify our clients; our failure to adequately verify personnel backgrounds and qualifications resulting in deficient services; failure of manpower engaged by us to adequately perform their duties; errors or malicious acts or violation of health and safety regulations; or criminal acts.

These claims may give rise to litigation and claims for damages, which could be time-consuming. These claims may also result in negative publicity and adversely impact our reputation and brand name. Further, we may be forced to indemnify our clients against losses or damages suffered by our clients as a result of negligent acts of manpower engaged by us. We may also be affected in our operations by the acts of third parties, including sub-contractors and service providers. Any claims and proceedings for alleged negligence as well as regulatory actions may in turn materially and adversely affect our reputation, and consequently, our business, financial condition, results of operations and prospects.

- 43. *As a listed company, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations and we must comply with other SEBI regulations as may be applicable to us. Any non-compliance/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. We are, therefore, subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations and we must comply with other SEBI Regulations as may be applicable to us. While our Company endeavors to comply with all such obligations/reporting requirements, in the past, there have been instances of delayed disclosures/ inadvertent incorrect/ inadvertent incomplete factual disclosures under the SEBI Listing Regulations, such as delayed filings under Regulation 23(9) and Regulation 30 of the SEBI Listing Regulations, incorrect categorization of Promoter and Promoter Group in the shareholding pattern filed with Stock Exchanges under Regulation 31 of the SEBI Listing Regulations, discrepancy or variation in the business updates filed with the Stock Exchanges and other delayed compliance under Regulation 74(5) of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, etc. Such non-compliance is usually subject to penalties, warnings and show cause notices by SEBI and the Stock Exchanges. Any regulatory action or development, which is initiated against us 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.

- 44. *Our lenders have charge over our movable and immovable properties in respect of finance availed by us.***

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations.

- 45. *There is no guarantee that we will accurately assess the creditworthiness of our customers. Failure by our customers to meet our payment schedules will result in losses, in turn having an adverse effect on our business, results of operations and prospects.***

There is no guarantee that we will accurately assess the creditworthiness of our customers and hence may be exposed to customer credit risk in the usual course of our business. Inability of our customers to meet our payment schedules or any delay or non-receipt of payment from such customers may result in loss and lead to inter alia (i) an increase in our working capital cycle, (ii) accelerated provisioning, and (iii) write off. Additionally, non-receipt of payment from our customers may also require us to initiate claims for recoveries resulting in costly litigation, diverting management's attention and resources and thereby subjecting us to significant liabilities.

Due to various factors, including certain extraneous factors such as macroeconomic conditions at a global level, such as potential credit crisis in the global financial system, may also result in financial difficulties for our customers, including limited access to the credit markets, insolvency or bankruptcy. Such conditions may cause our customers to delay payments, request modifications of their payment terms, or default on their payment obligations to us, all of which may increase our receivables. In addition, any defaults or delays in payments by major customers or insolvency or financial distress of any major customer, may have an adverse effect on our business, results of operations and cash flows. Timely collection of dues from customers also depends on our ability to complete our contractual commitments and subsequently bill for and collect payments from our customers. A significant delay in or non-receipt of large payments or non-performance by our customers of their payment related obligations, could materially and adversely affect our cash flows, results of operations and financial condition.

46. *Our business is subject to numerous industry and market factors, particularly relating to the Banking and Finance Industry.*

Our business is subject to numerous industry and market factors. The performance of our business is directly influenced by fluctuations in the financial markets and the broader economy. Economic downturns, changes in interest rates, inflation, and shifts in market sentiment can adversely affect demand for financial products and services, reduce the availability of credit, and impact the value of our assets or investments. These factors may lead to increased loan defaults, lower consumer spending, and reduced business activity, thereby impacting our revenue and profitability.

We are exposed to credit risk from borrowers, counterparties, and other financial institutions with whom we conduct business. If these parties fail to meet their financial obligations, we may face significant financial losses. Additionally, changes in credit ratings, borrower defaults, or shifts in the creditworthiness of our clients could result in higher provisions for loan losses and a reduction in the quality of our loan portfolio.

Our ability to meet short-term financial obligations is dependent on maintaining adequate liquidity. Adverse market conditions, such as disruptions in funding sources, increased borrowing costs, or challenges in accessing capital markets, could impair our ability to meet these obligations. A reduction in liquidity could also affect our ability to fund loans or investments, resulting in decreased revenues and business operations.

As the financial industry increasingly relies on technology, we are exposed to the risk of cyberattacks, data breaches, and other information security threats. A successful cyberattack could compromise sensitive customer data, disrupt our operations, or damage our reputation. Additionally, failure to adopt and implement robust cybersecurity measures or to comply with evolving data protection regulations could result in significant financial, legal, and reputational consequences.

Changes in interest rates can significantly affect our profitability. Rising interest rates may lead to higher borrowing costs for customers, reducing loan demand, while falling interest rates may compress our net interest margins. Additionally, fluctuations in interest rates could impact the market value of fixed-income securities in our portfolio, potentially leading to losses.

The banking and finance industry is highly competitive, with numerous traditional financial institutions, fintech companies, and other market participants vying for market share. Technological advancements, new entrants into the market, and changes in consumer preferences may disrupt our existing business model and erode our competitive advantage. Failure to innovate or adapt to market changes could negatively affect our ability to attract and retain customers.

Our business is exposed to operational risks that arise from inadequate or failed internal processes, systems, human error, or external events. These risks could lead to financial losses, reputational damage, or legal liabilities. In particular, disruptions in critical business functions, such as payments processing or transaction settlements, could impact customer trust and operational efficiency.

Our business may also be impacted by geopolitical events, such as changes in government policies, trade disputes, political instability, or international conflicts. These events could lead to market volatility, supply chain disruptions, or unfavorable changes in regulations that could negatively impact our operations and financial results.

Our reputation is critical to maintaining customer trust and business relationships. Any negative publicity, whether related to regulatory investigations, legal disputes, financial performance, or customer service issues, could harm our reputation and result in customer attrition, increased scrutiny by regulators, or legal actions. A damaged reputation could also lead to a loss of business opportunities and impact our market position.

47. *Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.*

Our operations are subject to inherent risks and hazards which may adversely impact our profitability, such as natural disasters. Presently, we have obtained certain insurance policies such as policies to insure stock, building, furniture, fittings, from earthquake, fire, shock, terrorism, etc. There are many events that could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us, for which we may not be insured or adequately insured, which in turn may expose us to certain risks and liabilities. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance had been availed. Further, there can be no assurance that any claim under the insurance policies

maintained by us will be honoured fully, in part, or on time. If we were to incur a significant liability for which we were not fully insured, it could adversely affect our results of operations and financial position.

48. *We may be unable to effectively manage our future growth and expansion strategy.*

Our expansion plans and business growth could strain our managerial, operational and financial resources (including future cash flows). Our ability to manage future growth will depend on our ability to continue to implement and improve operational, financial and management information systems on a timely basis and to expand, train, motivate and manage our workforce. While in the past our personnel, systems, procedures and controls were adequate to support our growth, this may not be the case in the future. Failure to effectively manage our expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects. There can be no assurance that we will be able to achieve our business strategy relating to organic and inorganic expansion.

49. *Our Dependence on Leased Properties*

Our registered office and all other branches, which are critical to our operations, are located in Kerala, Karnataka, and Tamil Nadu, and are operated on a rental basis. A significant portion of our real estate portfolio is leased. This exposes us to the following risks:

1. Risk of Lease Termination or Non-Renewal –

As certain rental agreements are not yet formalized, there is a risk that landlords may decide not to renew or extend the lease agreements or could impose unfavorable terms upon renewal. The inability to secure new agreements or lease extensions could lead to operational disruptions, the need to relocate offices or branches, and potential financial costs.

2. Uncertainty Regarding Lease Terms –

The absence of signed agreements for some properties creates an element of uncertainty around rental terms, including rent escalation clauses, maintenance responsibilities, and lease duration. This may lead to disputes or unexpected increases in rental expenses, which could adversely affect our financial performance and operations.

3. Potential for Disputes with Landlords –

In the absence of signed agreements, the risk of disputes with landlords may increase, including disagreements over rental terms, property maintenance, and compliance with local regulations. These disputes could result in legal action, forced relocation, or additional expenses, all of which could harm our business continuity.

4. Business Continuity Risks -

Our reliance on rented office space for conducting business operations means that any unforeseen issues with property owners or lease arrangements could cause disruptions to our business continuity. Delays in securing formal rental agreements or legal disputes with landlords could result in operational downtime, impacting our service delivery and customer relationships.

50. *Our funding requirements and the proposed deployment of Net Proceeds have not been appraised and our Company has broad discretion over the use of the Net Proceeds and may use them in ways with which you do not agree and in ways that may not enhance our operating results or the price of our Equity Shares.*

We intend to utilize the Net Proceeds towards (a) To augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities;, (b) General corporate purposes. Our fund requirements and deployment plans for the Net Proceeds are based on management estimates, our business plan based on current market conditions, which are subject to change in the future, and have not been appraised by any bank or financial institution or any other independent agency. Such internal estimates may differ from the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our expenditure, subject to applicable laws. Our fund requirements and proposed deployment schedule for the Net Proceeds are based on current general economic and market conditions and business needs, and the actual deployment of funds at each stage will depend on a number of factors, including our financial condition, business and strategy or external circumstances such as financial and market conditions, competitive environment, inflation, employment and disposable income levels, demographic trends, technological changes, changing customer preferences, interest or exchange rate fluctuations and finance

charges, increasing regulations or changes in government policies, which may not be in our control. In case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by any means available to us, including internal accruals and additional equity and/or debt arrangements, and may have an adverse impact on our business, results of operations, financial condition and cash flows. Accordingly, investors in the Equity Shares will be relying on the judgment of our management regarding the application of the Net Proceeds.

51. *We may be affected by any adverse application or interpretation of competition law in India.*

The Competition Act, 2002, as amended (the “Competition Act”), regulates practices having an appreciable adverse effect on competition in the relevant market in India. The Competition Act also prohibits abuse of a dominant position by any enterprise. The combination regulation (merger control) provisions under the Competition Act require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India (the “CCI”). Any breach of the provisions of Competition Act, may attract substantial monetary penalties.

Consequently, all agreements entered into by us could be within the purview of the Competition Act. Furthermore, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. We are not currently party to any outstanding proceedings, nor have we ever received any notice in relation to non-compliance with the Competition Act. Any enforcement proceedings initiated by the CCI in future, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI may affect our business, results of operations and financial condition.

52. *There may be certain inadvertent discrepancies in our secretarial filings and/ or corporate records. We cannot assure you that no legal proceedings or regulatory actions will be initiated against us in the future in relation to any such discrepancies.*

We manage our internal compliance by monitoring and evaluating internal controls and ensuring all relevant statutory and regulatory compliances. However, there can be no assurance that deficiencies in our internal controls will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all.

Our company has received email from the BSE Limited dated July 30, 2024 for SOP fines with respect to Non-compliance with provisions of 23(9) of the SEBI (LODR), 2015. Thereafter, our company has filed application on April 11, 2024 for waiver of fine under SEBI SOP circular dated January 22, 2020 along with clarification with respect to Non-compliance with the provisions of 23(9) of the SEBI (LODR), 2015 and same was subsequently partially approved by BSE Limited and paid SEBI SOP of Rs.2,36,000 on dated September 17, 2024 to BSE.

We are unable to trace certain approvals, corporate filings, resolutions and challans in respect of certain corporate filings made by our Company, although it is unlikely to have a material financial impact on us, and no regulatory action/ litigation is pending against us in relation to any such discrepancies in our secretarial filings and/ or corporate records, we cannot assure you that we will not be subject to penalties imposed by regulatory authorities in this respect. Accordingly, we cannot assure you that we will not be subject to any action, including monetary penalties by statutory authorities on account of any such discrepancies in our secretarial filings and/ or corporate records, which may adversely affect our business, financial condition and reputation.

53. *We rely on the proper functioning and integrity of our computer and data processing systems and are exposed to risks relating to data breaches.*

Our ability to operate our business depends on the functional and efficient operation of our computer and data processing and telecommunications systems across our manufacturing facilities and customer sites. Computer and data processing systems are susceptible to malfunctions and interruptions (including due to equipment damage, power outages, fire, natural disasters, breakdowns, malicious attacks, computer viruses, and a range of other hardware, software and network problems), and these risks are heightened as we attempt to integrate our IT and information systems pursuant to the Acquisitions. A significant or large-scale malfunction or interruption of our computer or data processing systems could disrupt our operations, for example by causing delays or the cancellation of customer orders, impeding the manufacture or shipment of products, the processing of transactions and the reporting of financial results, or could damage our reputation. Some of the contracts we

have entered into that, inter alia, require us to enter data in the system with strict clauses of confidential and preservation of such data. Furthermore, we are also required to protect any personal data in accordance with the General Data Protection Regulation applicable to operations in the European Union. In addition to the foregoing risks, we may also be liable for damages arising out of breach of contract.

We are also subject to privacy and information security regulations with respect to, among other things, the use and disclosure of personal data, and the confidentiality, integrity and availability of such information. If we fail to adequately safeguard confidential personal or other sensitive data or such data is wrongfully used by us (or by third parties) or disclosed to unauthorized persons, this could result in claims for damages and other liabilities, significant fines and other penalties and the loss of customers and reputation, which could in turn have an adverse effect on our business, results of operations, financial condition and prospects.

54. *We are dependent on a number of key personnel including our senior management.*

Our performance depends largely on the efforts and abilities of our senior management, other key personnel and the performance and productivity of our operational managers. We believe that the inputs and experience of our Promoters and senior management are valuable for the development of our business and operations and the strategic directions taken by our Company. There is no assurance, however, that these individuals or any other member of our senior management team will not leave us or join a competitor.

We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have a material adverse effect on our business and our results of operations.

55. *Our agreement with our lender for financial arrangement contains negative covenants for certain activities and if we are unable to get the approval of our lender, it might restrict our scope of activities and impede our growth plans.*

Our Company has entered into a credit facility cum Hypothecation agreement dated April 02, 2024 (the “**Agreement**”) with JMJ Finance Limited for certain loan facilities, which are currently outstanding. We may incur additional indebtedness in the future and our ability to meet our debt service obligations and to repay our outstanding borrowings depends primarily on the revenue generated by our business. Any failure to make payments of interest and principal on our outstanding indebtedness within the stipulated time period may result in a decline in our creditworthiness. Additionally, during any period in which we are in default, we may be unable to raise, or face difficulties in raising further finance.

Further, our financing agreement contain certain negative covenants that limit our ability to undertake certain types of activities, which may adversely affect our business and financial condition. Negative covenants under the Loan cum Hypothecation agreement dated April 02, 2024 include restrictions on/to:

- (a) Enter into any scheme of merger, amalgamation or doing a buyback of our Equity Shares;
- (b) Make any restricted payments other than permitted under the agreement;
- (c) Declare or pay any dividend or authorize or make any distribution to our shareholders: (i) unless our Company has paid all the dues in respect of the facility up to the date on which the dividend is proposed to be declared or paid, or has made satisfactory provisions thereof, or (ii) if an event of default has occurred and is subsisting or would occur as a result of such declaration or payment of dividend or authorization or making of distribution;
- (d) wind up, liquidate or dissolve affairs of our Company or take any steps for voluntary winding up or liquidation or dissolution of our Company;
- (e) agree, authorize or otherwise consent to any proposed settlement, of any litigation, arbitration or other dispute which may have a material adverse effect;
- (f) permit any change in the general nature of the business of our Company or undertake any expansion or invest in any other entity;
- (g) effect any change in our accounting method or policies;
- (h) pay any commission to our Promoters / Directors/ security providers;
- (i) Dispose our assets other than permitted by lenders in writing;
- (j) permit any change in the ownership/control/management of our Company (including by pledge of promoter/sponsor shareholding in our Company to any third party);
- (k) make any amendments in the constitutional documents of our Company;

- (l) avail any further loan or facility from any person and/or stand surety or guarantor for any third party liability or obligation, save as permitted under the financing documents;
- (m) encumber or create any security interest over the assets of our Company, save as permitted under the financing documents;
- (n) prepayment of any principal or interest on any loans availed by our Company from our Shareholders /Directors;
- (o) change remuneration of our Directors in any manner other than as mandated by legal or regulatory provisions;
- (p) enter into any contract or similar arrangement whereby our business or operations are managed or controlled directly or indirectly by any other person; and
- (q) obtain any facilities from a related party unless our Company causes such related party to submit an undertaking to the lender confirming that the financial debt extended by the related party to our Company shall not be assigned or transferred to any person other than another related party or a bank or a financial institution.

Failure to meet the conditions listed above or obtain consents from the lender, as may be required, could have significant consequences for our business and financial condition. Any default(s) under our agreement that are not waived by our lender or are not otherwise cured by us, may lead to a termination of our credit facilities, acceleration of all amounts due under such facilities, and may materially and adversely affect our ability to conduct our business or implement our business plans.

56. We may, at any time in the future, make further issuances or sales of our Equity Shares, and this may significantly dilute your future shareholding and affect the market price of our Equity Shares.

Any future equity issuances by us, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sale of our Equity Shares held by our Promoters or members forming part of the Promoter Group may adversely affect the market price of our Equity Shares, which may lead to other adverse consequences for us including difficulty in raising capital through offering of our Equity Shares. In addition, any perception that such issuance or sales of Equity Shares may result in dilution of shareholding, significantly affect the trading price of our Equity Shares and our ability to raise capital through an issue of our securities. There can be no assurance that such future issuance by us will be at a price equal to or more than the Issue Price. Further, there can be no assurance that we will not issue further shares or that the Promoters, and members forming part of the Promoter Group and other shareholders will not dispose of, pledge or otherwise encumber their Equity Shares.

57. Our Promoters and certain of our Directors and KMPs have interests in our Company other than the reimbursement of expenses and normal remuneration or benefits. Any such interests may result in a conflict of interest, which may have an adverse effect on our business.

Our Promoters and certain of our Directors and KMPs are deemed to be interested in our Company, in addition to regular remuneration or benefits and reimbursements of expenses, to the extent of a) Equity Shares held by them, their relatives, their dividend or bonus entitlement, benefits arising from directorship in our Company, b) business and/or commercial transaction entered into or proposed to be entered into by our Company with any firm, LLP, company or body corporate with which they or any of them are associated as promoter, director, partner or member and c) salary and other compensations paid or payable to their relative(s) by our Company. For further details, please see the section titled "Financial Information" beginning on page no. 103. Some of the above interests may conflict with their duties and obligations as Promoter and/or Director or KMPs of our Company, which may have an adverse effect on our operations.

58. Delays or defaults in payments from our clients could result into a constraint on our cash flows.

The efficiency and growth of our business depends on timely payments received from our clients. In the event, our clients default or delay in making payments and clearing their dues, we may not have adequate resources to fund our business and implement our growth plans. This could have an adverse effect on the results of operations and our financial condition.

59. Any defects in the products or deficiency/delay in the services offered by our Company could expose us to costs and liabilities arising from claims made by our clients and may adversely affect our reputation, revenues, operations, and profitability.

Due to our operations in the service sector, we may receive complaints and / or claims from our clients with regard to any potential deficiency in our services and products. Such complaints and / or claims may be made

against us on grounds of alleged deficiency / delay in our services and products. Such complaints or claims may lead to negative publicity concerning our service standards and product quality, reduce clients' confidence and negatively impact our reputation.

As a result, our business and profitability may be adversely affected, and we may also have to incur additional costs to restore our image and reputation. In the event the complaints from our clients escalate into legal claims, our image and market reputation may be adversely affected and the same may also compel us to incur additional litigations costs.

Further, our Company is often required to customize products and services catering to the specific requirements of our clients. Due to the technical nature of our products and services, meeting the specifications of each client may be a time-consuming process requiring our Company to invest in not only research and development but also in the development of the skills of our human resource. Delay in delivering the product may result in our Company losing clients to our competitors and also facing the risk of our products and services becoming obsolete due to constant change in the technology being used in our business. This may have an adverse impact on the profitability and revenues of our Company.

60. *Our Company's success depends upon our ability to effectively implement our business and growth strategies, failing which, our growth and business may be adversely affected.*

Our Company's success depends substantially on our ability to effectively implement our business and growth strategies. Our Company may not be able to execute its strategies in a timely manner or within the budget estimates or be able to meet the expectations of our clients and other stakeholders. We believe that our Company's business and growth strategies will place significant demands on our senior management and other resources and will require us to develop and improve operational, financial, and other internal controls and capitalize existing and potential market opportunities. Any inability to manage and implement our business and growth strategies may adversely affect our Company's business, prospects, the results of operations and financial condition.

61. *Our success largely depends upon our KMPs and Senior Management. Any loss of our KMPs or senior managerial personnel could adversely affect the results of operations and our financial condition.*

Our experienced KMPs and senior management personnel have had significant contributions to our business, and our success is dependent on their continued service, expert skills, and knowledge. In the event of resignation or cessation of any individual from our KMPs or senior management playing an active role in our business and growth plans, we may find it difficult to find a substitute for the talent and skills lost by us. Opportunities for KMPs and senior management personnel in our industry are immense and it is possible that we may not be able to retain our existing KMPs and senior management personnel or may fail to attract /retain new employees at equivalent positions in the future which may adversely affect our business, the results of operations and financial condition.

62. *The present working and future success of our Company is correlated to high performing individuals and overall skill development of the employees.*

The present working and future success of our business significantly depends upon the quality of products and services provided by us. This quality is directly proportionate to the talent, knowledge and performance of the human resource hired, retained, and utilized by us. From time to time, it may be difficult to attract and retain qualified individuals with requisite expertise required for our business demands, and we may not be able to satisfy the demand for our services because of our inability to successfully hire and retain qualified personnel. If we are unable to infuse new talent, retain talent or invest in skill development of our human resources, it may have a material adverse impact on our business, results of operations and our financial condition.

63. *Any future acquisitions, joint ventures, partnerships, strategic alliances, tie-ups or investments could fail to achieve expected synergies and may disrupt our business and harm the results of operations and our financial condition.*

Our success depends, in part, on our ability to expand our business in response to changing technologies, customer demands and competitive pressures. We have, in the past, explored and continue to explore opportunities on our own, through collaborations, tie-ups, strategic alliances, partnerships and joint ventures across the country and regions of focus. In some circumstances, we may also decide to acquire, or invest in, complementary technologies instead of internal development. The risks we face in connection with

acquisitions may include integration of product and service offerings, co-ordination of R&D and marketing functions and the diversion of management's time and focus from operating our business to addressing challenges pertaining to acquisition and integration.

Our failure to address these risks or other problems encountered in connection with our acquisitions and investments could result in our failure to realise the anticipated benefits of these acquisitions or investments, cause us to incur unanticipated liabilities, and harm our business generally.

RISK RELATING TO THE ISSUE AND OBJECTS OF THE ISSUE

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

The Rights Entitlements that are not exercised prior to the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration in relation to the same. 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 Rights 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 Rights Issue with respect to such Rights Entitlements. For details, see "*Terms of the Issue*" on page 127 of this Letter of Offer.

2. *The deployment of funds raised through this Issue shall not be subject to monitoring by any monitoring Agency and shall be purely dependent on the discretion of the management of our Company.*

Since the size of the Issue is less than ₹10,000 Lakhs, no monitoring agency is required to be appointed by our Company to oversee the deployment of funds raised through this Issue. The deployment of funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. The Board of Directors of our Company through Audit Committee will monitor the utilization of the Issue proceeds. Any inability on our part to effectively utilize the Net proceeds could adversely affect our financials.

3. *Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control.*

We intend to use the Net Proceeds for the purposes described in "*Objects of the Issue*" beginning on page 56. Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or other independent agency. Further, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control. We may have to revise funding requirements due to reasons which may not be within the control of our management. For further details, please see the chapter titled "*Objects of the Issue*" on page 56.

Accordingly, prospective investors in the Issue will need to rely upon our management's judgement with respect to the use of proceeds. If we are unable to deploy the proceeds of the Issue in a timely or an efficient manner, it may affect our business and results of operations.

4. *Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholder's approval*

We propose to utilise the Net Proceeds to repay, in full or in part, to augment the capital base and to provide funds required for increasing our operational scale with respect to our NBFC activities and also for General corporate purposes. For further details of the proposed objects of the Issue, please refer chapter titled "*Objects*

of the Issue” beginning on page 56 of this Letter of Offer. In case of any exigencies arising out of business conditions, economic conditions, competition, or other factors beyond our control which adversely affect our business, we may require to use the Net Proceeds to meet any other expenditure which cannot be determined with certainty as on the date of this Letter of Offer. In terms of the SEBI ICDR Regulations and the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds or in the terms of any contract as disclosed in this Letter of Offer without obtaining the shareholders’ approval through a special resolution. In the event of any such circumstances requiring us to undertake variation in the utilisation of the Net Proceeds disclosed in Letter of Offer, we cannot assure that we will be able to obtain the shareholders’ approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders’ approval may adversely affect our business.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, or vary the terms of any contract referred to in the Letter of Offer, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

5. ***Investors shall not have the option to receive Rights Equity Shares in physical form and the Eligible Equity Shareholders holding Equity Shares in physical form will have no voting rights in respect of Rights Equity Shares Allotted to them until they provide details of their demat account and Rights Equity Shares are transferred to such demat account from the demat suspense account thereafter and such Shareholders may suffer loss in case of sale of their Rights Equity Shares by our Company at the prevailing market price.***

In accordance with the SEBI ICDR Regulations, the Rights Entitlements and Rights Equity Shares shall be issued and credited only in dematerialized form. Investors will not have the option of getting the allotment of Equity Shares in physical form. The Rights Equity Shares will be credited to a demat suspense account to be opened by our Company, in case of Allotment in respect of resident Eligible Equity Shareholders holding Equity Shares in physical form and who have not provided the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date. Such Eligible Equity Shareholders are required to send, among others, details of their demat accounts to our Company or the Registrar within 6(six) months from the Allotment Date. Unless and until such Eligible Equity Shareholders provide details of their demat account and the Rights Equity Shares are transferred from demat suspense account to such demat accounts thereafter, they will have no voting rights in respect of Rights Equity Shares. For details, please see the chapter titled “*Terms of the Issue*” on page 127.

Further, Our Company (with the assistance of the Registrar) shall, after verification of the details of such demat account by the Registrar, transfer the Rights Equity Shares from the demat suspense account to the demat accounts of such Eligible Equity Shareholders. In case of non-receipt of such details of demat account, our Company shall conduct a sale of such Rights Equity Shares lying in the demat suspense account on the floor of the Stock Exchange at the prevailing market price and remit the proceeds of such sale (net of brokerage, applicable taxes and administrative and incidental charges) to the bank account mentioned by the resident Eligible Equity Shareholders in their respective Application Form and from which the payment for Application Money was made. Proceeds of such sale (net of brokerage, applicable taxes and administrative and incidental charges) may be higher or lower than the Issue Price paid by such Eligible Equity Shareholders. We cannot assure you that such proceeds by way of sale of such Rights Equity Shares will be higher than the Issue Price paid by you, and that you shall not suffer a loss in this regard. Further, in case, bank accounts of the aforesaid Eligible Equity Shareholders cannot be identified due to any reason or bounce back from such bank accounts, our Company may use payment mechanisms such as cheques, demand drafts etc. to remit the proceeds of sale of the Rights Equity Shares to such Eligible Equity Shareholders. If such bank account from which Application Money was received is closed or non-operational, the sale proceeds will be transferred to IEPF in accordance with practice on Equity Shares and as per applicable law.

6. ***There is no guarantee that the Rights Equity Shares issued pursuant to this Rights Issue will be listed on the Stock Exchange in a timely manner or at all.***

In accordance with applicable laws and regulations and the requirements of the Stock Exchange, in principle and final approvals for listing and trading of the Rights Equity Shares issued pursuant to this Issue will not be applied for or granted until after the Rights Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorising the issuance of Rights Equity Shares to be submitted. Accordingly, there could be a delay in listing the Rights Equity Shares on the Stock Exchange. If

there is a delay in obtaining such approvals, we may not be able to credit the Rights Equity Shares allotted to the Investors to their depository participant accounts or assure ownership of such Rights Equity Shares by the Investors in any manner promptly after the Issue Closing Date. In any such event, the ownership of the Investors over Rights Equity Shares allotted to them and their ability to dispose of any such Equity Shares may be restricted. For further information on issue procedure, please see the chapter titled “*Terms of the Issue*” on page 127.

7. *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. The Income Tax Act levies taxes on such long-term capital gains exceeding ₹ 1.25 lakhs arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such equity shares subject to specific conditions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of a securities transaction tax (STT), on the sale of any Equity Shares held for more than 12 months at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchange, the quantum of gains and any available treaty relief. STT will be levied on the seller and/or the purchaser of the Equity Shares 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 at the rate of 20% as per the Budget 2024 proposed by the Government. Capital gains arising from 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.

8. *The Issue Price of our Rights Equity Shares may not be indicative of the market price of our Equity Shares after the Issue.*

The Issue Price of Rights Equity Share may not be indicative of the market price for our Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. There can be no assurance that the Investors will be able to sell their Equity Shares at or above the Issue Price. The factors that could affect our share price are:

- quarterly variations in the rate of growth of our financial indicators such as earnings per share;
- changes in revenue or earnings estimates or publication of research reports by analysts;
- speculation in the press or investment community;
- general market conditions; and,
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

In addition, the Indian equity share markets have from time-to-time experienced significant price and volume fluctuations that have affected the market prices for the securities of Indian companies. As a result, investors may experience a decrease in the value of the Equity Shares regardless of our operating performance or prospects.

EXTERNAL RISK FACTORS

1. *Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.*

Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. These exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected.

2. *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.

3. *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, and our ability to implement our strategy.

Any slowdown in the Indian economy or in the growth of the sectors we participate in could adversely affect our business, financial performance, and the price of Equity Shares.

4. *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.*

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended or changed at the discretion of the Government. Changes in the operating environment, including changes in tax law, could impact the determination of our tax liabilities for any given tax year. Taxes and other levies imposed by the Government of India that affect our industry include income tax, goods and services tax and other taxes, duties or surcharges introduced from time to time. The 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 Government of India may adversely affect our competitive position and profitability. We cannot assure you that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation, and implementation of any amendment to, or change to governing laws, regulation, or policy in the countries in which we operate may materially and adversely affect our business, results of operations and financial condition. In addition, we may have to incur expenditure to comply with the requirements of any new regulations, which may also materially harm our results of operations. Further, changes in capital gains tax or tax on capital market transactions or sale of shares may affect investor returns.

5. *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 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.

6. *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.

7. *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.

8. *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 neighboring 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.

9. *General economic conditions in India and globally could adversely affect the results of operations.*

The results of operations and financial condition of our Company depend significantly on worldwide economic conditions and the health of the Indian economy. Various factors may lead to a slowdown in the Indian or world economy which in turn may adversely impact our Company's business, financial performance and operations. Our Company mainly derives revenue from operations in India and the performance and growth of our business is significantly dependent on the performance of the Indian economy. In the past, the Indian economy has been affected by global economic uncertainties, liquidity crisis, domestic policies, global political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, volatility in inflation rates and various other factors. Accordingly, high rates of inflation in India could increase our Company's employee costs and decrease our operating margins, which could have an adverse effect on the results of operations.

Further the Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, especially the United States, also have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our Company's business. A slowdown in the Indian economy could adversely affect the policy of the Government of India towards the industry in which our Company operates, which may in turn, adversely affect our financial performance and ability to implement our business strategy. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business and the market price of the Equity Shares.

SECTION IV – INTRODUCTION

THE ISSUE

This Issue has been authorised through a resolution passed by our Board at its meeting held on January 21, 2025 pursuant to Section 62(1)(a) of the Companies Act. The terms and conditions of the Issue including the Rights Entitlements, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by the Board of Directors/ Rights Issue Committee at its meeting held on Monday, June 16, 2025.

The following is a summary of the Issue, and it should be read in conjunction with, and is qualified entirely by, the information set out in the chapter titled "*Terms of the Issue*" beginning on page 127 of this Letter of Offer.

| | |
|--|---|
| Rights Equity Shares to be Issued | Up to 2,56,00,000 Rights Equity Shares |
| Rights Entitlements | Two Rights Equity Shares for every One fully paid-up Equity Shares held on the Record Date i.e. Friday, July 11, 2025. |
| Fractional Entitlement | The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of Two Rights Equity Shares for every One Equity Shares held on the Record Date. Thus fractional entitlements shall not arise in the Issue. |
| Record Date | Friday, July 11, 2025 |
| Face value per Equity Share | ₹10.00/- (Rupees Ten Only) each |
| Issue Price per Rights Equity Share | Issue of up to 2,56,00,000 Rights Equity Shares of face value of ₹10 each of our Company for cash at a price of ₹ 10.50 /- per Rights Equity Share (including a share premium of ₹ 0.50/- per Rights Equity Share) aggregating up to ₹2688.00 Lakhs* on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of Two Rights Equity Share for every One fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record Date i.e. Friday, July 11, 2025. On Application, Investors will have to pay ₹3.15/- per Rights Equity Share which constitutes 30% of the Issue Price and the balance ₹7.35/- per Rights Equity Share which constitutes 70% of the Issue Price, must be paid, on one or more subsequent Call(s) as determined by our Board / Rights Issue Committee at its sole discretion, from time to time. |
| Issue Size | Upto ₹ 2688.00 Lakhs* #Assuming full subscription receipt of all Call Monies with respect to Rights Equity Shares. |
| Equity Shares, subscribed, paid-up and outstanding prior to the Issue | 1,28,00,000 Equity Shares of ₹10/- each |
| Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlements) | 1,28,00,000 Equity Shares of face value of ₹10 each and 2,56,00,000 partly paid-up Rights Equity Shares of ₹10 each having paid-up value of ₹3 each |
| Voting Rights and Dividend | The Equity Shares issued pursuant to this Issue shall rank pari passu in all respects with the Equity Shares of our Company. |
| Scrip details | ISIN: INE242Q01016 BSE: 538834 ISIN of Rights Entitlements: INE242Q20016 ISIN of Rights Equity Share : IN9242Q01014 (Partly Paid-up at the time of application) |
| Terms of the Issue | For more information, please see the chapter titled " <i>Terms of the Issue</i> " beginning on page 127. |
| Use of Issue Proceeds | For more information, please see the chapter titled " <i>Objects of the Issue</i> " beginning on page 56. |
| Terms of Payment | The ₹ 3.15/- will be payable on application, Constitutes 30.00% of the Issue price being ₹ 10.50/- and rest of amount will be called on one or more subsequent calls within 12 Months from the date of allotment in the issue. |

Please refer to the chapter titled "*Terms of the Issue*" on page 127 of this Letter of Offer.

Terms of Payment

Payment Schedule is as follows:

| Amount Payable per Rights Equity Shares ⁽¹⁾ | Face Value(₹) | Premium(₹) | Total (₹) |
|--|---------------|-------------|---------------------|
| On Application | 3.00 | 0.15 | 3.15 ⁽²⁾ |
| One or more subsequent Call(s) as determined by our Board and, or, the Rights Issue Committee, at its sole discretion, from time to time | 7.00 | 0.35 | 7.35 ⁽³⁾ |
| Total | 10.00 | 0.50 | 10.50 |

⁽¹⁾ For further details on Payment Schedule, see "Terms of the Issue" on page 127 of this Letter of Offer.

⁽²⁾ Constitutes 30.00 % of the Issue price

⁽³⁾ Constitutes 70.00 % of the Issue price

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 |
|--|---------------------------|
| On Application | Friday, July 18, 2025 |
| Last Date for On Market Renunciation Rights ** | Tuesday, August 12, 2025 |
| Issue Closing Date* | Saturday, August 16, 2025 |

*The Board of Directors or a Rights Issue 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 originally incorporated as Limited Company in the name of “Meenakshi Enterprises Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated November 27, 1982 issued by the Registrar of Companies, Tamil Nadu bearing Corporate Identification Number U51102TN1982PLC009711. Subsequently, our Company was listed on Bombay Stock Exchange on 17th December, 2014 bearing Corporate Identification Number L51102TZ1982PLC029253, scrip code – 538834 and ISIN - INE242Q01016. Our Company has changed its name to JMJ Fintech Limited through postal ballot by shareholders dated 16th July, 2022.

Registered Office of our Company

JMJ Fintech Limited

Shop No. 3, 1st Floor, Adhi Vinayaga Complex,
No. 3, Bus Stand, Gopalsamy Temple Street,
Ganapaty, Coimbatore, Ganapathy, Coimbatore,
Coimbatore North, Tamil Nadu, India-641006

Telephone: +91 7395922291,

E-mail: investor@jmjfintechltd.com

Website: www.jmjfintechltd.com,

CIN: L51102TZ1982PLC029253,

Registration Number: 029253

Change in Registered Office of our Company

Upon incorporation, the Registered Office of our Company was situated at Plot No. Portion No. F, Door No. 24, 2nd Floor, Venkata Maistry Street, Mannady, Chennai, Tamil Nadu-600001. Thereafter our company has changed its Registered Office vide RD, Tamil Nadu order dated May 12, 2023 and consequently, Fresh Certificate of incorporation issued by ROC, Coimbatore dated August 23, 2023, the particulars of the same are set forth below:

| | |
|-----------------|--|
| Address: | Shop No. 3, 1st Floor, Adhi Vinayaga Complex, No. 3, Bus Stand, Gopalsamy Temple Street, Ganapaty, Coimbatore, Ganapathy, Coimbatore, Coimbatore North, Tamil Nadu, India-641006 |
|-----------------|--|

Address of the ROC

Our Company is registered with the ROC, Coimbatore which is situated at the following address:

Registrar of Companies, Coimbatore

No.7, AGT Business Park, I Floor, Phase II, Avinashi Road, Civil Aerodrome Post, Coimbatore- 641014, Tamil Nadu, India

Board of Directors of our Company

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

| Name | Age | Designation | Address | DIN |
|--------------------------------|-----|-----------------------|--|----------|
| JOHNY MADATHUMPADY LONAPPAN | 73 | Executive Chairman | Madathumpady House, Shanthi Lane, Cheroor, P.O Thrissur, Kerala-680008 | 00017895 |
| SIVADAS CHETTOOR | 68 | Director | Sivam, Salamath Nagar, Near Civil Station, Palakkad, Kerala- 678001 | 01773249 |
| JULIE GEORGE VARGHESE | 37 | Director | Chithralayam, Esm Colony, Kulathupuzha, Kollam, Kerala- 691310 | 07427929 |
| JOJU MADATHUMPADY JOHNY | 49 | Managing Director | Madathumpady House, Shanthi Lane, Cheroor, P.O Thrissur, Kerala-680008 | 02712125 |
| VELAYUDHANPILLAI HARIKUMAR | 61 | Director | Mavelil No 4, Perunna, Perumbuzha Kadavu Road, Changanssery, Kottayam, Kerala-686102 | 10450411 |

For a detailed profile of our directors, please refer to the chapter titled “Our Management” on page 95 of this Letter of Offer.

Company Secretary and Compliance Officer:

Mrs. Vidya Damodaran,

JMJ Fintech Limited

Shop No. 3, 1st Floor, Adhi Vinayaga Complex, No. 3,

Bus Stand, Gopalsamy Temple Street, Ganapaty,

Coimbatore, Ganapathy, Coimbatore,

Coimbatore North, Tamil Nadu-641006

Telephone: +91 7395922291,

E-mail: investor@jmjfintechltd.com,

Website: www.jmjfintechltd.com

Registrar to the Issue

Purva Shareregistry (India) Private Limited

9, Shivshakti Ind. Estate J R Boricha Marg,

Lower Parel (East), Mumbai, Maharashtra-400011,

Telephone: +91 022 49614132,

Email: newissue@purvashare.com,

Website: www.purvashare.com

Investor Grievance Email: newissue@purvashare.com ;

Contact Person: Ms. Deepali Dhuri

SEBI Registration Number: INR000001112,

CIN: U67120MH1993PTC074079

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, 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 of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the Application Forms, 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, please see the section entitled “*Terms of the Issue*” on page 127 of this Letter of Offer.

Statutory Auditors of our Company

M/s Mahesh C. Solanki & Co.,

Chartered Accountants

803, Airen Hights, PU-3, Opp. Malhar Mega Mall,

A. B. Road, Indore-452 010,

Telephone: +91-731-4067929, **Email:** info@mcsca.com

Contact Person: CA Vinay Kumar Jain

Firm Registration Number: 006228C,

Peer Review Certificate Number: 016526

Expert

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

Our Company has received a written consent from our Statutory Auditors, M/s Mahesh C. Solanki & Co., Chartered Accountants, to include their name in this Letter of Offer and as an “expert”, as defined under Section 2(38) of the Companies Act 2013, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of (i) the Audited Standalone Financial Statements of the Company for the Fiscal Year 2025 and their audit report thereon dated April 22, 2025; (ii) Unaudited Standalone Financial Results for the nine months period ended December 31, 2024 and their limited review report thereon dated February 05, 2025; and (iii) the statement of special tax benefits dated January 24, 2025 included in this Letter of Offer, and such consent has not been withdrawn as of the date of this Letter of Offer. However, the term “expert” shall not be construed to mean an “expert” as defined under the Securities Act.

**Bankers to the Issue and Refund Bank
Kotak Mahindra Bank Limited**

Intellion Square, 501, 5th Floor, A Wing,
Infinity IT Park, Gen. A.K. Vaidya Marg,
Malad-East, Mumbai-400097.

Telephone: +912269410636

Contact Person: Mr. Siddhesh Shirodkar

E-Mail: cmsipo@kotak.com

Website: www.kotak.com

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSB for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> and as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

Credit rating

As the proposed Issue is of Rights Equity Shares, the appointment of a credit rating agency is not required.

Debenture Trustee

As the proposed Issue is of Rights Equity Shares, the appointment of debenture trustee is not required.

Monitoring Agency

Since the size of the Issue is less than ₹10,000 Lakhs, our Company is not required to appoint a monitoring agency in relation to this Issue.

Appraising Agency

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

Underwriting

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

Minimum Subscription

The objects of this Issue are to augment the capital of the Company, Further, our Promoters and our Promoter Group have undertaken that they will subscribe to the full extent of their Rights Entitlements and that they shall not renounce their Rights Entitlements except to the extent of renunciation by any of them in favour of any other member of our Promoter Group subject to the aggregate shareholding of our Promoters and our Promoter Group being compliant with the minimum public shareholding requirements under the SCRR and the SEBI Listing Regulations. Accordingly, in terms of Regulation 86 of the SEBI ICDR Regulations, the requirement of minimum subscription is not applicable to the Issue.

Any participation by our Promoters and our Promoter Group, over and above their Rights Entitlements, shall not result in a breach of the minimum public shareholding requirements prescribed under applicable law.

In terms of Regulation 86 of the SEBI ICDR Regulations, the requirement of minimum subscription of 90% is not applicable to the Issue.

Filing

This Letter of Offer is being submitted to the Stock Exchange i.e., BSE Limited, in accordance with the SEBI ICDR Regulations.

Issue Schedule

| Event | Indicative Date |
|---|---------------------------------------|
| Last Date for credit of Rights Entitlements | On or before Wednesday, July 16, 2025 |
| Issue Opening Date | Friday, July 18, 2025 |
| Last Date for On Market Renunciation of Rights Entitlements* | Tuesday, August 12, 2025 |
| Issue Closing Date[#] | Saturday, August 16, 2025 |
| Finalisation of Basis of Allotment (on or about) | Friday, August 22, 2025 |
| Date of Allotment (on or about) | Friday, August 22, 2025 |
| Date of credit (on or about) | Saturday, August 30, 2025 |
| Date of listing (on or about) | Tuesday, September 02, 2025 |

**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.*

[#]Our Board or the Rights Issue Committee 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 (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after 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 Working Days prior to the Issue Closing Date, i.e., Wednesday, August 13, 2025 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., Thursday, August 14, 2025.

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not 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 Application Forms, see “***Terms of the Issue***” beginning on page 127 of this Letter of Offer.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Equity Shares on or before Issue Closing Date, the Rights Entitlements of such Eligible Equity Shareholders shall get lapsed 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 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 www.purvashare.com after keying in their respective details along with other security control measures implemented there at. For further details, see “***Terms of the Issue - Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders***” beginning on page 139 of this Letter of Offer.

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Letter of Offer is set forth below:

(₹ in Lakhs, except the shares data)

| Particulars | Aggregate value at face value | Aggregate value at Issue Price |
|--|-------------------------------|--------------------------------|
| A. AUTHORIZED SHARE CAPITAL | | |
| 4,00,00,000 Equity Shares of ₹ 10/- each ^(*) | 4000.00 | NA |
| B. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE | | |
| 1,28,00,000 Equity Shares of ₹ 10/- each | 1280.00 | NA |
| C. PRESENT ISSUE BEING OFFERED TO THE EXISTING EQUITY SHAREHOLDERS THROUGH THIS LETTER OF OFFER⁽¹⁾ | | |
| Up to 2,56,00,000 partly paid-up Right Equity Shares, each at a premium of ₹ 0.50/- Per Right Equity Shares, i.e. at a price of ₹ 10.50/- Per Right Equity Shares ⁽²⁾ | 2560.00 | 2688.00 |
| D. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE ISSUE⁽³⁾ | | |
| 3,84,00,000 Equity Shares of face Value ₹ 10/- each, fully paid-up ⁽¹⁾ | 3840.00 | NA |
| E. SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL | | |
| 1,28,00,000 Fully paid-up Equity Shares of ₹ 10 each. | 1280.00 | |
| 2,56,00,000 Partly paid-up Equity Shares of ₹10 each (₹ 3 paid-up) ⁽⁴⁾ | 2560.00 | |
| F. SECURITIES PREMIUM ACCOUNT | | |
| Before the Issue | | 154.00 |
| After the Issue ⁽²⁾ | | 282.00 |

(*) The Company has issued a postal ballot notice dated November 27 2024 and corrigendum dated December 10, 2024 to the notice dated November 27, 2024 for increasing its authorised share capital from Rs. 25,00,00,000/ (Rupees Thirty-Five Crores only) divided into 2,50,00,000 (Two Crores fifty lakh) shares of face value of Rs. 10/- (Rupees ten only) each to Rs. 40,00,00,000/- (Forty Crores only) divided into 4,00,00,000/- (Four Crores) shares of face value of Rs. 10 /-(Rupees ten only) each ranking pari passu in all respect with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company.

¹⁾ The Issue has been authorised by a resolution of our Board passed at its meeting held on January 21, 2025 pursuant to Section 62(1)(a) of the Companies Act, 2013 and other applicable provisions.

²⁾ On Application, Investors will have to pay ₹3.15/- per Rights Equity Share which constitutes 30.00% of the Issue Price and the balance ₹7.35/-per Rights Equity Share which constitutes 70.00% of the Issue Price, will have to be paid, on Calls, as determined by our Board / Rights Issue Committee at its sole discretion from time to time.

³⁾ Assuming full subscription by the Eligible Equity Shareholders of the Rights Equity Shares.

⁴⁾ Assuming full payment of all Call Monies by holders of Rights Equity Shares.

Notes to the Capital Structure:

- Our Company does not have any employee stock option scheme or employee stock purchase scheme.
- Our Company does not have any outstanding warrants, options, convertible loans, debentures or any other securities convertible at a later date into Equity Shares, as on the date of this Letter of Offer, which would entitle the holders to acquire further Equity Shares
- All the Equity Shares of our Company are fully paid-up and there are no partly paid up Equity Shares outstanding as on the date of this Letter of Offer. Further, the Rights Equity Shares, when allotted under

the Issue, shall be partly paid up.

4. Shareholding of Promoter and Promoter Group:

The details of Equity Shares held by the Promoter and Promoter Group including the details of lock-in, pledge and encumbrance on such Equity Shares as on the date of this Letter of Offer are set forth below:

| Sr. No. | Name of the Promoter & Promoter Group | No. of fully paid up Equity Shares held | Share holding as a % of total no. of shares (calculated as per SCRR, 1957) | Details of Equity Shares pledged/encumbered | | Details of Equity Shares locked-in | |
|--------------|---------------------------------------|---|--|---|------------------------|------------------------------------|------------------------|
| | | | | No. of Equity Shares | % of total shares held | No. of Equity Shares | % of total shares held |
| 1 | Johny M L | 18,52,560 | 14.47 | - | - | - | - |
| 2 | Joju Madathumpady Johny | 2,000 | 0.02 | - | - | 2,000 | 0.02 |
| 3 | Shiny Joju | 2,000 | 0.02 | - | - | 2,000 | 0.02 |
| Total | | 18,56,560 | 14.51 | - | - | 4,000 | 0.04 |

The Promoters or members of the Promoter Group have not acquired any Equity Shares of our Company in the year immediately preceding the date of filing of this Letter of Offer with the Stock Exchange except Mr. Joju Madathumpady Johny and Mrs. Shiny Joju were allotted with 2000 shares each on 04.10.2024 as part of preferential allotment.

5. Intention and extent of participation in the Issue by the Promoter and Promoter Group

Our Promoters and members of the Promoter Group vide their respective letters dated February 17, 2025 have confirmed that they along with the promoter group intend to subscribe in the issue, to the full extent of their Rights Entitlements and have also confirmed that they shall not renounce their Rights Entitlements (except to the extent of renunciation by any of them in favour of Promoter or member of the Promoter Group).

Further, they reserve the right to apply for, and subscribe to, additional Rights Equity Shares, including subscribing to the unsubscribed portion (if any), subject to compliance with the minimum public shareholding requirement prescribed under the SCRR and the SEBI Listing Regulations.

The acquisition of Rights Equity Shares by our Promoters and our Promoter Group, over and above its Rights Entitlements shall not result in a change of control of the management of our Company and shall be in compliance with the SEBI SAST Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under the Applicable Law.

6. The ex-rights price per Rights Equity Shares, as computed in accordance with Regulation 10(4)(b) of the SEBI Takeover Regulations is ₹15.76 per equity share.
7. At any given time, there shall be only one denomination of the Equity Shares.
8. **Shareholding pattern of our Company as per the last quarterly filing with the Stock Exchange is in compliance with the SEBI Listing Regulations:**

- The shareholding pattern of our Company as on March 31, 2025, can be accessed on the website of the BSE at <https://www.bseindia.com/stock-share-price/jmj-fintech-ltd/jmjfin/538834/shareholding-pattern/>
- Statement showing holding of Equity Shares of the Promoters and Promoter Group including

details of lock-in, pledge of and encumbrance thereon, as on March 31, 2025, can be accessed on the website of the BSE at: <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=538834&qtrid=125.00&QtrName=March%202025>

- Details of the Shareholders holding more than 1% of the issued, subscribed, and paid-up Equity Share capital. The details of shareholders of our Company holding more than 1% of the issued, subscribed and paid -up Equity Share capital of our Company, as on March 31, 2025, are available at the website of BSE <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=538834&qtrid=125.00&QtrName=March%202025>

OBJECTS OF THE ISSUE

We intend to utilize the gross proceeds raised through the Issue (the “**Gross Proceeds**”) after deducting the Issue related expenses (“**Net Proceeds**”) for the following objects (collectively, referred to as the “**Objects**”):

- To augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities; and
- General Corporate Purposes.

(Collectively, referred to as the “**Objects**”)

The main object clause and matters necessary for furtherance of the main objects of our MoA enable our Company to undertake its existing activities and the activities carried out by our Company since its incorporation until now are valid in terms of the objects clause of our MoA. The loans availed by our Company which are proposed to be repaid in full or in part, from the Net Proceeds, are for activities carried out by us are enabled by the objects clause of our MoA.

Details of Net Proceeds from the Issue

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

| Particulars | Estimated Amount |
|--|------------------|
| Gross proceeds to be raised through the Issue* | Upto 2688.00 |
| Less: Issue related expenses | 116.00 |
| Net Proceeds | 2572.00 |

* Assuming full subscription in the Issue and subject to the finalisation of the basis of allotment and the allotment of the Rights Equity Shares.

Requirement of Funds and Utilization of Net Proceeds

The Net Proceeds are proposed to be utilised in accordance with the details set forth in the following table:

| Sr. No. | Particulars | Estimated Amount |
|---------------------|--|------------------|
| 1 | To augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities | Upto 1900.00 |
| 2 | General corporate purposes* | 672.00 |
| Net Proceeds | | 2572.00 |

*The amount to be utilized towards General Corporate Purposes will not exceed 25% of the Gross Proceeds.

Schedule of Implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the following table:

| Sr. No. | Particulars | Amount to be funded from the Net Proceeds | Estimated deployment in FY 2025-26 |
|---------------------------------|--|---|------------------------------------|
| 1 | To augment the capital base of our Company | Upto 1900.00 | Upto 1900.00 |
| 2. | General corporate purposes* | 672.00 | 672.00 |
| Net Proceeds[^] | | 2572.00 | 2572.00 |

*Subject to finalisation of the basis of Allotment and the allotment of the Rights Equity Shares. The amount to

*be utilized for General Corporate Purposes will not exceed 25% of the Gross Proceeds.
^Assuming full subscription in the Issue and subject to the finalisation of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.*

The funding requirements mentioned above are based on the internal management estimates of our Company and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, the funding requirements of our Company and deployment schedules are subject to revision in the future at the discretion of our management, subject to applicable law. If additional funds are required for the purposes as mentioned above, such requirements may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them, subject to compliance with applicable laws. Further, in case the Net Proceeds are not completely utilised in a schedule Fiscal Year due to any reason, the same would be utilised (in part or full) in the next Fiscal Year/ subsequent period as may be determined by our Board, in accordance with the applicable laws. Our Company proposes to meet the funding requirements for the proposed Objects of the Issue from the Net Proceeds. Therefore, pursuant to Regulation 62(1)(c) of the SEBI ICDR Regulations, our Company is not required to make firm arrangement of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue. For further details, please see the section titled “*Risk factors - The deployment of funds raised through this Issue shall not be subject to monitoring by any monitoring Agency and shall be purely dependent on the discretion of the management of our Company*” on page 41.

If the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used for future growth opportunities including funding other existing objects, if required and towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations.

Means of Finance

Our Company proposes to meet the entire requirement of funds for the Objects from the Net Proceeds and hence, the requirement to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised through the Issue is not applicable.

Details of the Objects of the Issue

1. To Augment Capital Base and Expand NBFC Operations

Our Company, a RBI-registered NBFC, primarily focuses on providing financial services, particularly to rural population and small businesses in both the corporate and non-corporate sectors. The company plans to strengthen its capital base by raising Rs. 1900.00 lakhs through this Issue. The funds will be utilized to scale up its NBFC activities, including expanding its financing business to fund fresh loans for corporate customers.

The company intends to broaden its loan portfolio by targeting more geographies and customers with a proven credit track record. Loans, both secured and unsecured, will be advanced based on risk profiles and in accordance with the company’s loan policy. Additionally, to capitalize on market opportunities, the company may make investments in the form of debt or equity, either directly or indirectly. Investments will be pursued across diverse markets and business stages, encompassing both listed and unlisted entities. The management’s approach may include driving strategic changes or forming partnerships with existing owners.

It is specifically noted that no portion of the funds raised specifically for this objective will be used to provide loans to the company’s Promoters, Subsidiaries, Associates, Group Companies, or Promoter Group Companies.

2. General Corporate Purposes

We intend to deploy ₹672.00 Lakhs from the Net Proceeds towards General Corporate Purposes. In terms of Regulation 62(2) of the SEBI (ICDR) Regulations, the extent of the Issue Proceeds proposed to be used for General Corporate Purposes shall not in the aggregate exceed 25% of the Gross Proceeds of the Issue. Our Board will have flexibility in applying the balance amount after utilizing the amount for acquisition of business targets towards:

- Repayment of outstanding loans.

- Working capital requirements.
- Capital expenditures and growth initiatives, including strategic acquisitions.
- Operational expenses such as salaries, administration costs, and insurance premiums.
- Any exigencies or opportunities that arise in the course of business operations.

And any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act, 2013.

Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹116.00 Lakhs. The break-up of the Issue expenses is as follows:

| Particulars | Estimated Expenses (₹ in lakhs) | % of Estimated Issue Related Expenses | % of Estimated Issue Size |
|--|------------------------------------|---------------------------------------|---------------------------|
| Fees of Registrar to the Issue | 6.81 | 5.87 | 0.25 |
| Fees of Legal Advisor | 17.70 | 15.26 | 0.66 |
| Other professional service providers and statutory fees | 25.11 | 21.64 | 0.93 |
| Fees payable to regulators, including depositories, Stock Exchange, and SEBI | 15.50 | 13.36 | 0.58 |
| Statutory Advertising, Marketing, Printing and Distribution | 50.00 | 43.10 | 1.86 |
| Other expenses (including miscellaneous expenses and stamp duty) | 0.89 | 0.76 | 0.03 |
| Total estimated Issue expenses* | 116.00 | 100.00 | 4.32 |

* Assuming full subscription, subject to receipt of Call Monies with respect to Rights Issue, finalization of Basis of Allotment and actual Allotment.

All Issue related expenses will be paid out of the Gross Proceeds from the Issue. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be borne by the Company from the general corporate purposes.

Interim Use of Funds

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. However, our Company shall deposit the Net Proceeds, pending utilisation of the Net Proceeds for the purposes described above, by depositing in one or more scheduled commercial banks (as included in the second schedule to the Reserve Bank of India Act, 1934) or in any such other manner as permitted under the SEBI ICDR Regulations.

Bridge Loan

We have not raised any bridge loans which are required to be repaid from the Net Proceeds.

Monitoring Utilization of Funds from Issue

Since the Issue Size is less than ₹ 10,000 lakhs, in terms of Regulation 82 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes monitoring the utilisation of Net Proceeds by our Company. As required under Regulation 18 of the SEBI Listing Regulations, the Audit Committee of 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(3) read with Part C of Schedule II of the SEBI Listing Regulations, we will disclose to the Audit Committee the required details of utilisation/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 this 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 entity

None of the Objects for which the Net Proceeds will be utilized have been appraised by any agency.

Strategic and Financial Partners

There are no strategic or financial partners to the Objects.

Variation in Objects

In accordance with applicable provisions of the Companies Act, 2013 and applicable rules, except in circumstances of business exigencies, our Company shall not vary the Objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the 'Postal Ballot Notice') shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice will simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. For details, see '*Risk Factors - Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholder's approval.*' on page 41.

Key Industry Regulations

No additional provisions of any acts, regulations, rules and other laws are or will be applicable to the Company for the Objects.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, any members forming part of the Promoter Group, Directors and Key Managerial Personnel of our Company.

Our Promoters, members forming part of the Promoter Group and our Directors do not have any interest in the Objects, and there are no material existing or anticipated transactions in relation to utilization of the Net Proceeds with our Promoters, members forming part of the Promoter Group, Directors or Key Managerial Personnel or Senior Management Personnel.

STATEMENT OF SPECIAL TAX BENEFITS

To,
The Board of Directors,
Shop No 3, 1St Floor, Adhi Vinayaka Complex ,
No 3 B.S, Gopalasamy Temple Street,
Coimbatore-641006,
Tamil Nadu, India

Dear Sirs,

Subject: Proposed rights issue of equity shares of face value of ₹ 10 each (the “Equity Shares” and such offering, the “Issue”) of JMJ Fintech Limited (the “Company”) pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI Regulations”) and the Companies Act, 2013, as amended (the ‘Act’).

We report that the enclosed statement in the Annexure, states the possible special tax benefits under direct tax laws i.e. Income tax Rules, 1962 including amendments made by the Finance Act, 2020 (hereinafter referred to as “IT Act”), and indirect tax laws i.e. the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations, circulars and notifications issued there under, Foreign Trade Policy presently in force in India, available to the Company and its shareholders. 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.

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.

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 Letter of Offer (“LOF”) of the Company or in any other documents in connection with the Issue (“Offer Documents”).

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.

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.

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 exchanges, any other authority as may be required and/or for the records to be maintained by the Company in connection with the Issue and in accordance with applicable law, and for the purpose of any defense the Company 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 their affiliates and the Legal Counsel in relation to the Issue.

We undertake to immediately update you, in writing, of any changes in the above-mentioned information until the date the Equity Shares issued pursuant to the Issue commence trading on the recognized stock exchanges. 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 exchanges.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

This statement is solely for your information and not intended for general circulation or publication and is not to be reproduced or used for any other purpose without our prior written consent, other than for inclusion of extracts of this statement in the Letter of Offer and submission of this statement to the Securities and Exchange Board of India, the stock exchange 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 behalf of Mahesh C. Solanki & Co.,
Chartered Accountants
Firm's Registration Number: 006228C**

**Sd/-
Vinay Kumar Jain
Partner
Membership No.: 232058
UDIN: 25232058BMKUTI4076**

Date: January 24, 2025
Place: Chennai

Encl.: As above

ANNEXURE I

STATEMENT OF TAX BENEFITS

To,
The Board of Directors
M/s. JMJ Fintech Limited
Shop No 3, 1St Floor, Adhi Vinayaka Complex ,
No 3 B.S, Gopalasamy Temple Street,
Coimbatore-641006,
Tamil Nadu, India.

Re: Rights issue of equity shares of face value of ₹10 each (“Equity Shares”) of M/s. JMJ Fintech Limited (“Company” and such offering, the “Issue”) pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI Regulations”) and the Companies Act, 2013, as amended (the ‘Act’).

We M/s. Mahesh C Solanki & Co., Chartered Accountants, an Independent Chartered Accountant, hereby confirm that the enclosed Annexure states the possible special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 and Income tax Rules, 1962 including amendments made by Finance Act 2020 (hereinafter referred to as “IT Act”), 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 there under, Foreign Trade Policy, presently in force in India under the respective tax laws of their country as on the signing date, for inclusion in the Letter of Offer (“LOF”) of the Company or in any other documents in connection with the Issue (“Offer Documents”) for the proposed rights issue of the Company to the existing shareholders. These benefits are dependent on the Company or the shareholders of the Company fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company or the shareholders of the Company to derive the special tax benefits is dependent upon fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the shareholders of the Company may or may not choose to fulfill.

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

Further, the preparation of the enclosed Statement and its contents was the responsibility of the management of the Company. We were informed that this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed Issue.

We have conducted our examination in accordance with the ‘Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)’ (‘the Guidance Note’) issued by the Institute of Chartered Accountants of India (‘ICAI’). The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI.

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

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

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

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

expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

This statement is solely for your information and not intended for general circulation or publication and is not to be reproduced or used for any other purpose without our prior written consent, other than for inclusion of extracts of this statement in the Offer Documents 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.

ANNEXURE I

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

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

I. Special tax benefits available to the Company:

1. Concessional rate of tax under Section 115BAA of the IT Act

Section 115BAA of the IT Act, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt to pay tax at a rate of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified deductions or set-off of losses, depreciation etc., and claiming depreciation determined in the prescribed manner. In case a company opts for

section 115BAA of the IT Act, provisions of Minimum Alternate Tax would not be applicable and the MAT credit for the earlier year will not be available for set-off. The option needs to be exercised on or before the due date of filing the income tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year. Further, if the conditions mentioned in section 115BAA of the IT Act are not satisfied in any year, the option exercised shall become invalid in respect of such year and subsequent years, and the other provisions of the Act shall apply as if the option under section 115BAA of the IT Act had not been exercised.

The Company has represented to us that it has opted for section 115BAA for the assessment year 2023-24 and 2024-25.

II. Special tax benefits available to the shareholders of the Company

1. The Company would be required to deduct tax at source on the dividend paid to the shareholders, at applicable rates based on the provisions of the IT Act. In case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, and every artificial juridical person, surcharge would be restricted to 15%, irrespective of the amount of dividend. The shareholders would be eligible to claim the credit of such tax in their return of income.
2. With respect to a domestic corporate shareholder, deduction shall be available under section 80M of the IT Act on fulfilling the conditions detailed in section 80M of the IT Act. The section *inter-alia* provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the due date. The "due date" means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139 of the IT Act.
3. As per Section 112A of the IT Act, long-term capital gains arising from transfer of an equity share shall be taxed at 10% plus applicable surcharge and cess (without indexation) of such capital gains subject to fulfilment of prescribed conditions under the Act. It is worthwhile to note that tax shall be payable where such long-term capital gains exceed ₹1,00,000.

4. As per Section 111A of the IT Act, short term capital gains arising from transfer of a listed equity share, shall be taxed at 15% plus applicable surcharge and cess subject to fulfillment of prescribed conditions under the IT Act.
5. In respect of non-resident shareholders, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile and subject to entitlement to such treaty benefit.

Notes:

1. The benefits in I and II above are as per the current tax law as amended by the Finance Act, 2023.
2. This statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders / investors in the country outside India are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them.
3. Surcharge is to be levied on domestic companies at the rate of 7% where the income exceeds ₹1.00 crore but does not exceed ₹10 crore and at the rate of 12% where the income exceeds ₹10 crore.
4. We note that if the Company opts for concessional income tax rate under section 115BAA of the IT Act, surcharge shall be levied at the rate of 10% irrespective of the amount of total income.
5. Health and Education Cess @ 4% on the tax and surcharge is payable by all category of tax payers.
6. Business losses, arising during the year can be set off against the income under any other head of income, other than income under the head 'salaries'. Balance business loss can be carried forward and set off against business profits for 8 subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of the IT Act, however, subject to section 115BAA of the IT Act.
7. We note that if the Company opts for concessional tax rate under section 115BAA of the IT Act it will not be allowed to claim any of the following deductions:
 - Deduction under the provisions of section 10AA of the IT Act (deduction for units in Special Economic Zone)
 - Deduction under clause (iia) of sub-section (1) of section 32 of the IT Act (Additional depreciation)
 - Deduction under section 32AD or section 33AB or section 33ABA of the IT Act (Investment allowance in backward areas, Investment deposit account, site restoration fund)
 - Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or subsection(2AA) or sub-section (2AB) of section 35 of the IT Act (Expenditure on scientific research)
 - Deduction under section 35AD or section 35CCC of the IT Act (Deduction for specified business, agricultural extension project)
 - Deduction under section 35CCD of the IT Act (Expenditure on skill development)
 - Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA and section 80M of the IT Act;
 - No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;
 - No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A of the IT Act, if

such loss or depreciation is attributable to any of the deductions referred above.

8. Further, it is also clarified in section 115JB(5A) of the IT Act that if the Company opts for concessional income tax rate under section 115BAA of the IT Act, the provisions of section 115JB of the IT Act regarding Minimum Alternate Tax (MAT) are not applicable. Further, such Company will not be entitled to claim tax credit relating to MAT.
9. The above statement of possible direct tax benefits 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.

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

I. Special indirect tax benefits available to the Company

There are no special benefits available to the Company under the Indirect Tax Laws

II. Special indirect tax benefits available to Shareholders

- There are no special indirect tax benefits available to the shareholders for investing in the shares of the company.

Notes:

1. The above statement of possible indirect tax benefits is based on the provisions of the specified Indirect tax laws thereof prevailing in the country, as on the date of this annexure.
2. The above statement of possible indirect tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences.
3. These benefits are dependent on the Company fulfilling the conditions prescribed under the relevant provisions of the Tax laws.
4. The above statement covers only certain relevant indirect tax law benefits and does not cover benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time.

SECTION V – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information contained in 'Industry Overview' in this section is derived from publicly available sources. Neither we, nor any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Shareholders should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, shareholders should read this Letter of Offer, including the information in the sections "Risk Factors" and "Financial Information" beginning on pages 20 and 103, respectively of this Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' beginning on page 20 of this Letter of Offer.

Indian Economy

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India's exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships. India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

The Indian economy was among the fastest-growing in the world before the onset of the COVID-19 pandemic. In the years leading up to the global health crisis, the country's economic indicators posted gradual improvements. The twin deficits, namely current account and fiscal deficits, narrowed, while the growth-inflation mix showed a positive and sustainable trend. Despite the geopolitical tensions worldwide, India's economy is expected to grow by 6.21 per cent in FY24, driven by robust domestic demand and strong growth in the manufacturing and services sectors. As the country progresses, demand for credit is likely to remain strong, especially among Micro, Small and Medium Enterprises (MSMEs) and retail, and is projected to grow by 13.5–14.0 per cent.

NBFCs have emerged as the crucial source of finance for a large segment of the population, including SMEs and economically unserved and underserved people. The NBFC sector in India is a vital part of the financial system, with an asset size of ₹41 lakh crore as of 2024. The industry has grown at a Compound Annual Growth Rate (CAGR) of approximately 15% over the last five years, fuelled by increasing demand for credit among

underserved segments, particularly MSMEs and rural areas. NBFCs have strong regional footprints in urban and rural markets, addressing niche financial needs such as vehicle loans, housing finance, and microfinance. Key trends include digital transformation, embedded finance, and partnerships with fintechs for last-mile delivery and risk management. They have managed to cater to the diverse needs of the borrowers in the fastest and most efficient manner, considering their vast geographical scope, understanding of the various financial requirements of the people and extremely fast turnaround times. Nonbank money lenders have played an important role in the financial inclusion process by supporting the growth of millions of MSMEs and independently employing people. The sector has grown significantly, with a number of players with heterogeneous business models starting operations. The last few years have seen a transformation in the Indian financial services landscape. The increasing penetration of neo-banking, digital authentication, rise of UPI and mobile phone usage as well as mobile internet has resulted in the modularisation of financial services, particularly credit.

In terms of asset size-wise mix, housing loans and infrastructure loans continue to account for a major chunk of the overall NBFC portfolio. Microfinance loans have increased their share from approximately 2 per cent to 3 per cent between FY19 and FY23. Housing and infrastructure loans are expected to maintain their share in overall NBFC credit. In addition, auto loans, personal loans, MSME loans and microfinance loans are expected to perform better as compared to other segments in FY24.

(Source: <https://assets.kpmg.com/content/dam/kpmg/in/pdf/2024/02/nbfc-in-india-growth-and-stability.pdf>)

Macroeconomic

scenario

India's economy to grow at 6.8% in Fiscal 2025



Note: E = Estimated, P = Projected; GDP growth till fiscal 2023 is actuals. GDP Estimates for fiscals 2023-2024 is based on NSO Estimates and 2024-2025 is projected based on CRISIL MI&A estimates and that for fiscals 2025-2029 based on IMF estimates; Source: NSO, CRISIL MI&A, IMF (World Economic Outlook – April 2024 update)

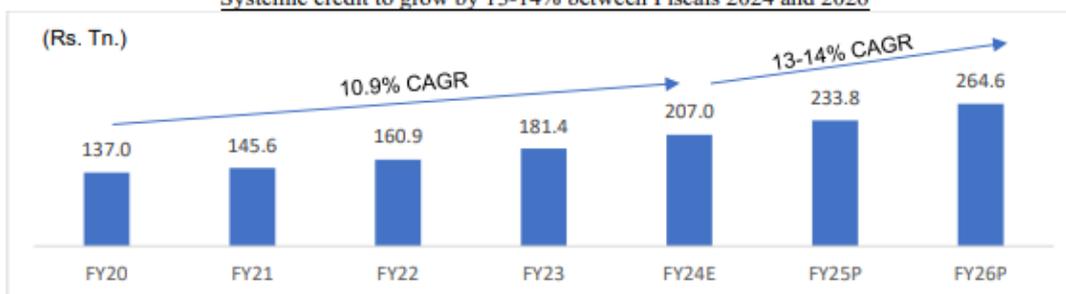
Over the past three Fiscals (FY22-FY24), the Indian economy has outperformed its global counterparts by witnessing a faster growth. Going forward as well, IMF projects that Indian economy will remain strong and would continue to be one of the fastest growing economies.

Financial conditions stabilise, broader economy to face elevated rates

The RBI's Monetary Policy Committee ("MPC") is expected to be on an extended pause for the next few meetings, as it evaluates the inflation trajectory and growth momentum. While CPI inflation has fallen in the past four months coming down to 4.3% in May 2023, down from 4.7% in April 2023, progress of monsoon and impact of El Nino will be monitored. The impact of past rate hikes on growth will be the most prominent in the current Fiscal. As growth slows, CRISIL MI&A expects RBI to initiate rate cuts in the last quarter of Fiscal 2024. While the pause on rate hikes has augured well for financial markets, elevated bank lending rates could tighten financial Market Size conditions for some segments of the economy which could ease down subsequently basis the direction of the economy.

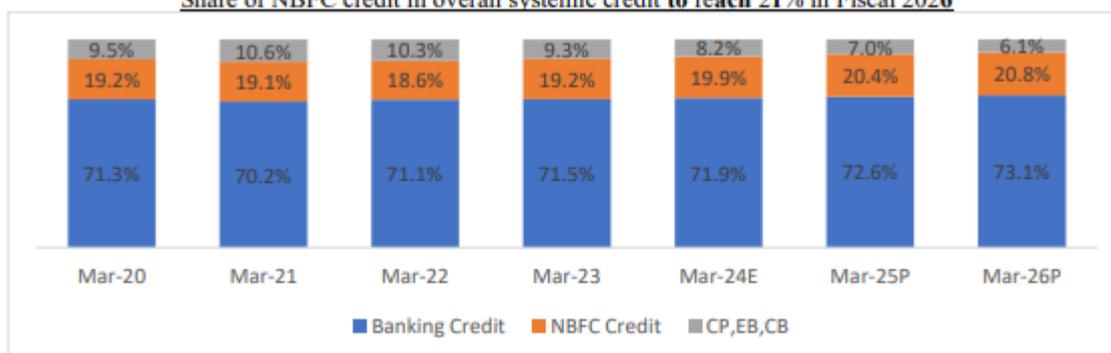
Credit Penetration in India

Systemic credit to grow by 13-14% between Fiscals 2024 and 2026



Note: P – Projected; Systemic credit includes domestic banking credit (after deduction of bank lending to NBFC), NBFC credit, commercial papers, external borrowings, corporate bonds excluding those issued by Banks and NBFC; Source: RBI, Company Reports, CRISIL MI&A

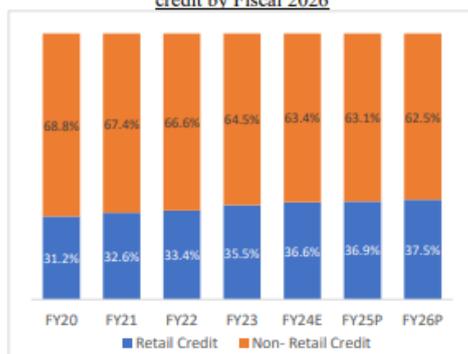
Share of NBFC credit in overall systemic credit to reach 21% in Fiscal 2026



Note: P – Projected; Systemic credit includes domestic banking credit, NBFC credit, commercial papers, external borrowings, corporate bonds excluding those issued by Banks and NBFC; Source: RBI, Company Reports, CRISIL MI&A

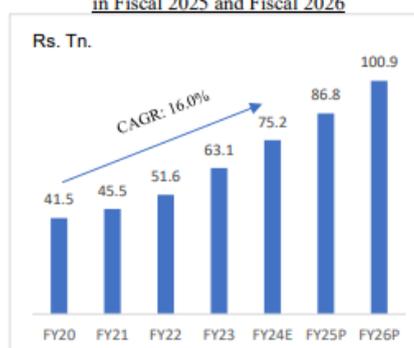
The retail credit (includes Housing finance, Vehicle Financing, Gold Loans, Education Loans, Consumer Durables, Personal loans, Credit cards and Microfinance) in India stood at Rs. 75.2 trillion, as of FY24 and has rapidly grown at a CAGR of 16.0% during Fiscals 2020 and 2024. Retail credit growth in FY20 was around approximately 12.1% which came down to approximately 9.6% in FY21. However, post-pandemic, retail credit growth revived back to reach approximately 13.5% in FY22. In FY23, retail credit has grown at ~22.3% year on year basis. The Indian retail credit market has grown at a strong pace over the last few years and is expected to further grow at CAGR of 17-18% between FY24 and FY26 to reach Rs. 100.9 trillion by FY26. The moderation of growth of retail credit is on account of normalisation in unsecured segment which had witnessed exuberant growth in the past and impact of RBI's risk weight circular. Moreover, the increasing demand and positive sentiments in the Indian retail credit market, presents an opportunity for both banks and NBFCs to broaden their investor base.

Retail segment to account for 37.5% of overall systemic credit by Fiscal 2026

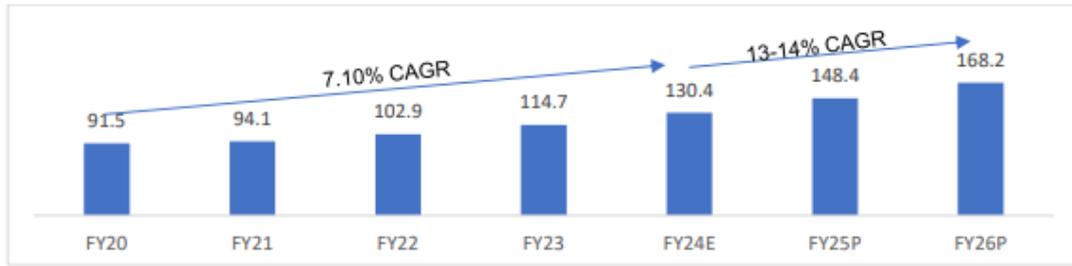


Note: E- Estimates, P – Projected; Source: RBI, CRISIL MI&A

Retail credit growth to continue a strong footing in Fiscal 2025 and Fiscal 2026

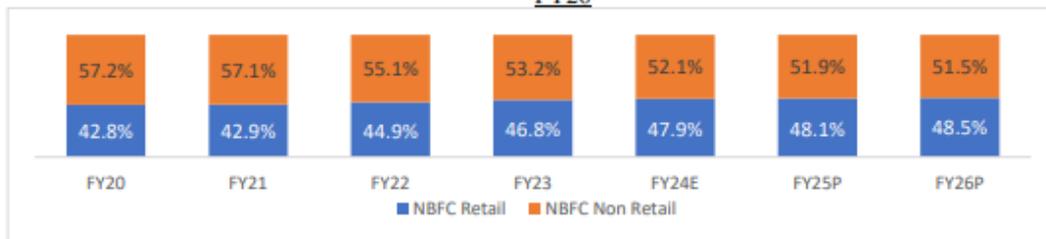


Systemic nonretail credit to grow with lower growth



Note: E- Estimates, P- Projected; Source: RBI, CRISIL MI&A

Share of retail credit in total NBFC credit to grow to 48% by end of FY25 and expected to reach 48.5% in FY26



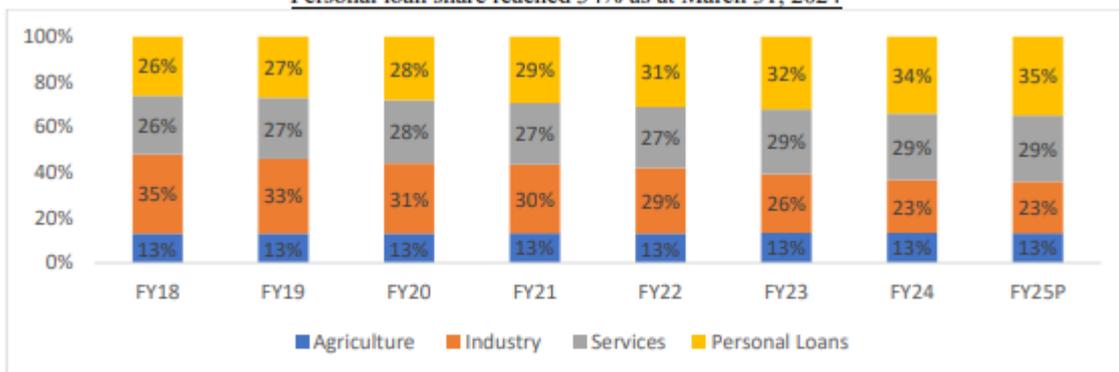
Note: E- Estimates, P- Projected; Retail credit includes housing finance, vehicle finance, microfinance, gold loans, construction equipment finance, consumer durable finance, MSME loans and education loans; Source: Company reports, CRISIL MI&A

Personal Loan and Service segment to drive credit growth in Fiscal 2025 Industrial credit accounted for nearly a third of the overall banking credit mix in Fiscal 2019.

CRISIL MI&A estimates that agricultural credit grew in Fiscal 2024 due to higher priority sector lending (“PSL”) targets, expected higher food-grain production, increase in commodity prices and increase in agriculture credit target. Industrial credit grew in Fiscal 2024 supported by healthy growth in segments like basic metal and metal products, chemical and chem products and government’s continued focus on production linked incentive scheme. Services segment grew in Fiscal 2024 on back of healthy credit demand from Non-Banking Financial Companies (“NBFCs”). Personal Loans segment grew in Fiscal 2024 driven by sharp rise in demand in unsecured loans, demand in housing segment and pent-up demand in vehicle loans segment.

Going forward, CRISIL MI&A expects personal loans and services segment to drive credit growth in Fiscal 2025. Personal Loans segment is expected to show strong growth in Fiscal 2025 on back of credit demand from consumer durables, gold and other personal loan segment.

Personal loan share reached 34% as at March 31, 2024



Note: As at the end of each Fiscal; P - Projected
Source: RBI; CRISIL MI&A

(Source : <https://www.northernarc.com/assets/uploads/pdf/Industry-Report.pdf>)

Market Size

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030. (Source : <https://www.ibef.org/economy>)

Introduction to the Financial Services 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.

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.

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

Historical Context

Historically, NBFCs have been a vital cornerstone of the Indian financial ecosystem as important financial intermediaries channelizing savings and investments, especially for small-scale and retail sectors as well as underserved areas and unbanked sectors of the Indian economy.

A Non-Banking Financial company (NBFC) is a company registered under the Companies Act, 1956 or under Companies Act, 2013 engaged in the business of loans and advances, acquisition of shares /stocks /bonds /debentures /securities issued by Government or local authority or other marketable securities of a like nature, leasing, hire-purchase, insurance business, chit business but does not include any institution whose principal business is that of agriculture activity, industrial activity, purchase or sale of any goods (other than securities) or providing any services and sale/purchase/construction of immovable property. A non-banking institution which is a company and has principal business of receiving deposits under any scheme or arrangement in one lump sum or in instalments by way of contributions or in any other manner, is also a non-banking financial company (Residuary non-banking company).

In terms of Section 45-IA of the RBI Act, 1934, no Non-banking Financial Company can commence or carry on business of a non-banking financial institution without a) obtaining a certificate of registration from the Bank and without having a Net Owned Funds of ₹ 25 lakhs (₹ Two crore since April 1999). However, in terms of the

powers given to the Bank, to obviate dual regulation, certain categories of NBFCs which are regulated by other regulators are exempted from the requirement of registration with RBI viz. Venture Capital Fund/Merchant Banking companies/Stock broking companies registered with SEBI, Insurance company holding a valid Certificate of Registration issued by IRDA, Nidhi companies as notified under Section 620A of the Companies Act, 1956, Chit companies as defined in clause (b) of Section 2 of the Chit Funds Act, 1982, Housing Finance Companies regulated by National Housing Bank, Stock Exchange or a Mutual Benefit Company.

A Company incorporated under the Companies Act, 1956 and desirous of commencing business of non-banking financial institution as defined under Section 45-IA of the RBI Act, 1934 should comply with the following:

- (a) It should be a company registered under Section 3 of the companies Act, 1956.
- (b) It should have a minimum net owned fund of ₹ 200 lakh.

(Source: <https://www.rbi.org.in/Scripts/FAQView.aspx?Id=92>)

Categories of NBFCs

NBFCs are categorized

- a) in terms of the type of liabilities into Deposit and Non-Deposit accepting NBFCs,
- b) non deposit taking NBFCs by their size into non-systemically important and other non-deposit holding companies (NBFC-NDSI and NBFC-ND) and
- c) by the kind of activity they conduct.

Within this broad categorization the different types of NBFCs are as follows:

1. **Asset Finance Company (AFC):** An AFC is a company which is a financial institution carrying on as its principal business the financing of physical assets supporting productive/economic activity, such as automobiles, tractors, lathe machines, generator sets, earth moving and material handling equipment, moving on own power and general Purpose industrial machines. Principal business for this purpose is defined as aggregate of financing real/physical assets supporting economic activity and income arising therefrom is not less than 60% of its total assets company total income respectively.
2. **Investment Company (IC):** IC means any Company which is a financial institution carrying on as its principal business the acquisition of securities,
3. **Loan Company (LC):** LC means any company which is a financial institution carrying on as its principal business the providing of finance whether by making loans or advances or otherwise for any activity other than its own but does not include an Asset Finance Company.
4. **Infrastructure Finance Company (IFC):** IFC is a non-banking finance company a) which deploys at least 75 per cent of its total assets in infrastructure loans, b) has a minimum Net Owned Funds of ₹ 300 crore, c) has a minimum credit rating of 'A 'or equivalent d) and a CRAR of 15%.
5. **Systemically Important Core Investment Company (CIC-ND-SI):** CIC-ND-SI is an NBFC carrying on the business of acquisition of shares and securities which satisfies the following conditions:
 - (1) it holds not less than 90% of its Total Assets in the form of investment in equity shares, preference shares, debt or loans in group companies;
 - (2) its investments in the equity shares (including instruments compulsorily convertible into equity shares within a period not exceeding 10 years from the date of issue) in group companies constitutes not less than 60% of its Total Assets;
 - (3) it does not trade in its investments in shares, debt or loans in group companies except through block sale for the purpose of dilution or disinvestment;
 - (4) it does not carry on any other financial activity referred to in Section 45I(c) and 45I(f) of the RBI Act, 1934 except investment in bank deposits, money market instruments, government securities, loans to and investments in debt issuances of group companies or guarantees issued on behalf of group companies.

(5) Its asset size is ₹ 100 crore or above; and

(6) It accepts public funds

6. **Infrastructure Debt Fund:** Non- Banking Financial Company (IDF-NBFC): IDF-NBFC is a company registered as NBFC to facilitate the flow of long term debt into infrastructure projects. IDF-NBFC raise resources through issue of Rupee or Dollar denominated bonds of minimum 5 years maturity. Only Infrastructure Finance Companies (IFC) can sponsor IDF-NBFCs.
7. **Non-Banking Financial Company:** Micro Finance Institution (NBFC-MFI): NBFC-MFI is a non-deposit taking NBFC having not less than 85% of its assets in the nature of qualifying assets which satisfy the following criteria:
 1. Loan disbursed by an NBFC-MFI to a borrower with a rural household annual income not exceeding ₹ 1,00,000 or urban and semi-urban household income not exceeding ₹ 1,60,000;
 2. Loan amount does not exceed ₹ 50,000 in the first cycle and ₹ 1,00,000 in subsequent cycles;
 3. Total indebtedness of the borrower does not exceed ₹ 1,00,000;
 4. Tenure of the loan not to be less than 24 months for loan amount in excess of ₹ 15,000 with prepayment without penalty;
 5. Loan to be extended without collateral;
 6. Aggregate amount of loans, given for income generation, is not less than 50 per cent of the total loans given by the MFIs;
 7. Loan is repayable on weekly, fortnightly or monthly instalments at the choice of the borrower
 8. **Non-Banking Financial Company – Factors (NBFC-Factors):** NBFC-Factor is a non-deposit taking NBFC engaged in the principal business of factoring. The financial assets in the factoring business should constitute at least 50 percent of its total assets and its income derived from factoring business should not be less than 50 percent of its gross income.
8. **Mortgage Guarantee Companies (MGC)** - MGC are financial institutions for which at least 90% of the business turnover is mortgage guarantee business or at least 90% of the gross income is from mortgage guarantee business and net owned fund is ₹ 100 crore.
9. **NBFC- Non-Operative Financial Holding Company (NOFHC)** is financial institution through which promoter / promoter groups will be permitted to set up a new bank. It's a wholly-owned Non- operative Financial Holding Company (NOFHC) which will hold the bank as well as all other financial services companies regulated by RBI or other financial sector regulators, to the extent permissible under the applicable regulatory prescriptions.

(Source: <https://www.rbi.org.in/Scripts/FAQView.aspx?Id=92>)

Evolution

Over the years, NBFCs have evolved given the extensive changes in the regulatory framework for NBFCs in India which have moved from simplified regulations to stringent and extensive regulations as well as toward rationalisation per the currently revised NBFC regulatory framework. Given these high levels of regulation NBFCs have also emerged as preferred options to meet credit needs since the low cost of operations has provided these NBFCs an edge over banks.

Financial Access and Supportive Government Schemes

Additionally, NBFCs have gradually become important mechanisms to fuel growth and entrepreneurship due to the launch of government-backed schemes including Pradhan Mantri Jan-Dhan Yojana which has contributed to a significant increase in the number of bank accounts.

These NBFCs have also been key in being able to mitigate and manage the spread of risks during times of financial duress and have increasingly become recognized as complementary services to banks.

NBFCs have become integral for all business services, including loans and credit facilities, retirement planning, money markets, underwriting and merger activities. As such these companies play an important role in providing credit to the unorganized sector and for small borrowers at local level. Additionally, hire purchase finance is also the largest activity of NBFCs and the rapid growth of NBFCs has gradually blurred the lines between banks and

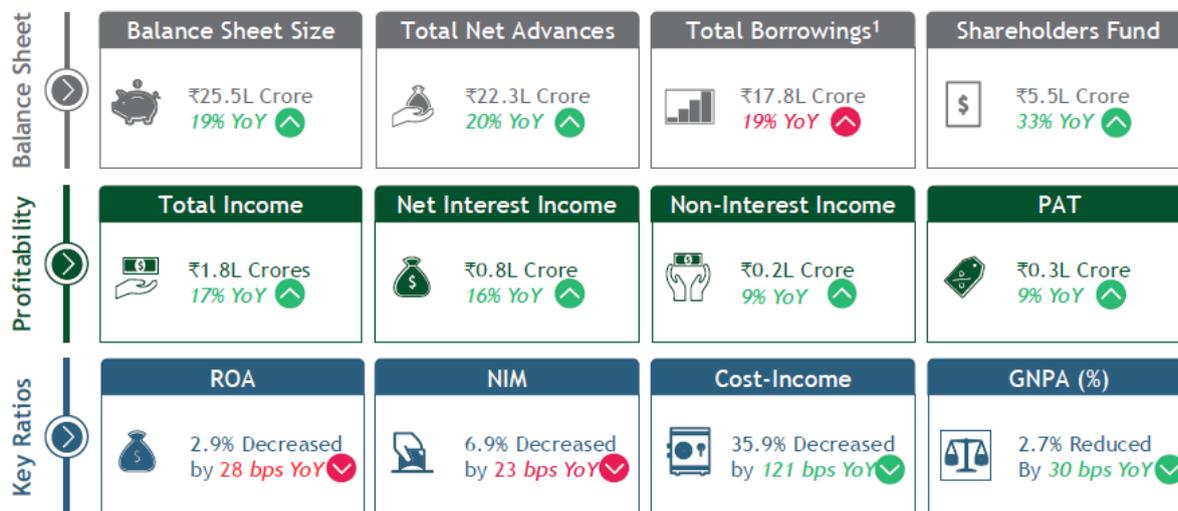
NBFCs although commercial banks have retained importance. These NBFCs facilitate long term investment and financing, which is challenging for banking sector, and the growth of NBFCs widens range of products available for individuals/institutions with resources to invest.

As of March 31, 2024, there were 9,327 NBFCs registered with the RBI categorized as Asset Finance Companies, Loan Companies, Infrastructure Finance Companies (IFCs), Systematically Important Core Investment Company (NBFC – CIC – ND – SI), Infrastructure Debt Fund (NBFC – IDF) and Micro Finance Institutions (NBFC – MFIs).

Growth of NBFCs

Source: www.bcg.com

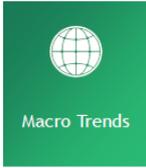
H1FY25 Results: NBFC Industry Snapshot



1. Total Borrowings include Debt Securities
 Note: Growth is calculated for H1FY25 over H1FY24. Analysis has been made based on 31 NBFCs (9 HFCs, 2 Gold, 3 MFI, 1 Cards and 16 Diversified NBFCs)

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Summary Snapshot (I/II)



- **Economic growth:** GDP growth for Q2 FY25 at 5.4%. FY25 GDP forecasted to grow between 6.7-7.2% YoY
 - The World Bank upgraded India's growth forecast for FY25 from 6.6% to 7%, expecting the economy to remain strong in medium term
- **Economic landscape exhibits mixed trends**
 - The auto sector registered growth across all segments, fueled by a surge in seasonal demand
 - Forex reserves hit a record high in Sep'24, boosted by a notable surge in foreign currency assets and gold reserves

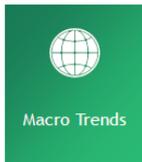


- **Lending Boost in NBFCs:** NBFCs credit growth outpaces that of Banks in H1FY25; MFI category outshines
- **Yield:** NIM for NBFCs dropped marginally to 6.9% (down 23 bps YoY), while banks maintained consistent growth in NIM
- **Credit Expense:** Credit costs rose for NBFCs whereas Banks show improved credit cost
- **Profitability and Returns:** Marginal increase in overall NBFC profitability of 9% YoY, Gold NBFCs posted robust growth, while MFI NBFCs saw a sharp decline; Banking Sector's net profitability grew 20% YoY led by lower provisions & operating expenses
- **Valuation:** Large NBFCs continues to command premium valuation; most PSU banks have significantly outperformed Private Banks & NBFCs over the last 3 years

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Summary Snapshot (I/II)



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 - Forex reserves hit a record high in Sep'24, boosted by a notable surge in foreign currency assets and gold reserves



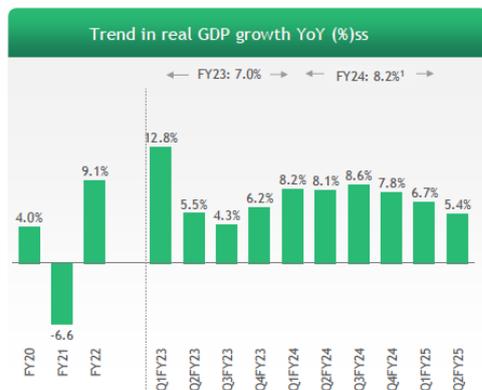
- **Lending Boost in NBFCs:** NBFCs credit growth outpaces that of Banks in H1FY25; MFI category outshines
- **Yield:** NIM for NBFCs dropped marginally to 6.9% (down 23 bps YoY), while banks maintained consistent growth in NIM
- **Credit Expense:** Credit costs rose for NBFCs whereas Banks show improved credit cost
- **Profitability and Returns:** Marginal increase in overall NBFC profitability of 9% YoY, Gold NBFCs posted robust growth, while MFI NBFCs saw a sharp decline; Banking Sector's net profitability grew 20% YoY led by lower provisions & operating expenses
- **Valuation:** Large NBFCs continues to command premium valuation; most PSU banks have significantly outperformed Private Banks & NBFCs over the last 3 years

3

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India expected to grow at 6.7-7.2% in FY25, led by strong domestic demand

Macro indicators



1. GDP growth for FY25 and Q2 FY25 are based on provisional estimates; 2. Forecast are likely to be revised further
 Note: Upper-limit has been included where agencies reported forecast range. Latest forecasts considered in case of revision by agency within same month;
 Source: Analyst reports, BCG analysis

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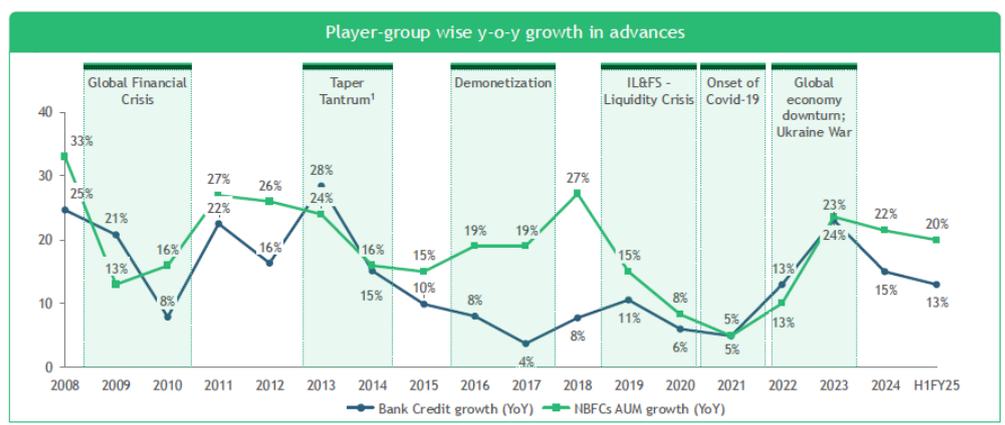
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India expected to grow at 6.7-7.2% in FY25, led by strong domestic demand



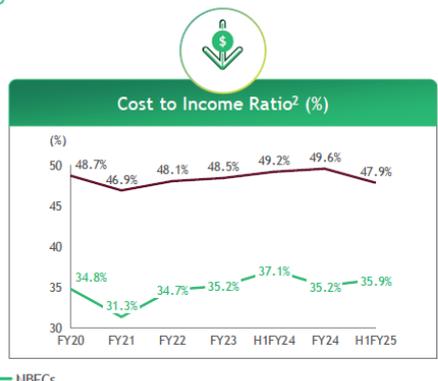
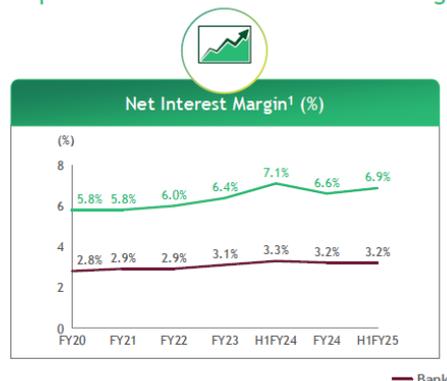
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 Source: Analyst reports, BCG analysis

NBFCs credit growth outpaces Banks credit growth in H1-FY25



1. Taper Tantrum crisis of 2013 refers to foreign investors pulling out money from equities and bonds in emerging markets as a reaction to US Fed announcement of reducing/ceasing its bond purchase program; this led to a tightening of liquidity available in the market, impacting both banks & NBFCs
 Note: Analysis has been made based on 31 NBFCs (9 HFCs, 2 Gold, 3 MFI, 1 Cards and 16 Diversified NBFCs) and 35 Banks (12 PSBs, 10 Private-New, 6 Private-Old Banks and 4 Small Finance Banks)
 Source: Capitaline, Quarterly Results, Investor Presentation, Annual Report, BCG Analysis

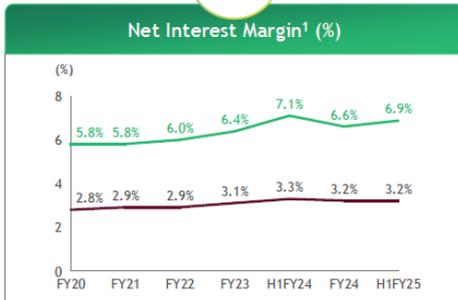
NIM marginally declined y-o-y in H1FY25 for both Banks and NBFCs; CIR improved for both Banks & NBFC category



1. NIM is calculated as (Interest Income - Interest Expense)/Average Assets; 2. Cost to Income is calculated as Operation expense/(net interest income + other income)
 Operation Expense excludes "Net loss on fair value changes", "Net loss on derecognition of financial instruments under amortized cost category", "Net Transaction Exchange Loss" and/or "Loss/write-off on Repossessed Assets and Assets acquired in satisfaction of debt"; NIM has been annualized
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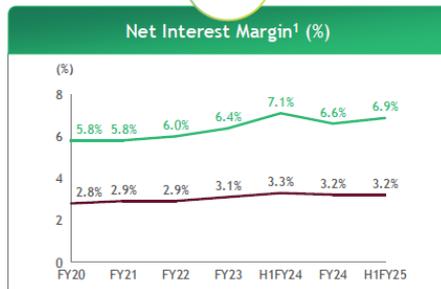
— Banks — NBFCs

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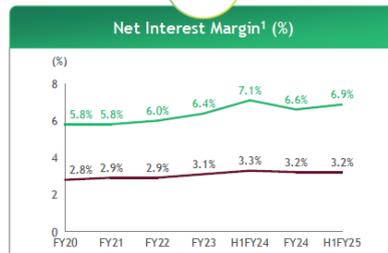
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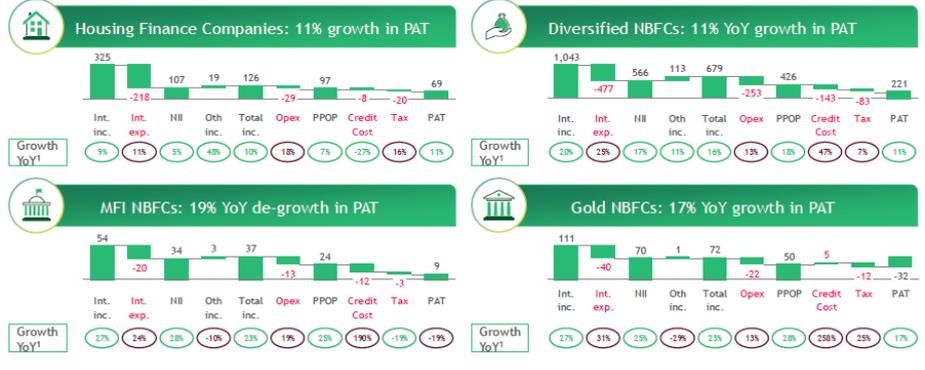
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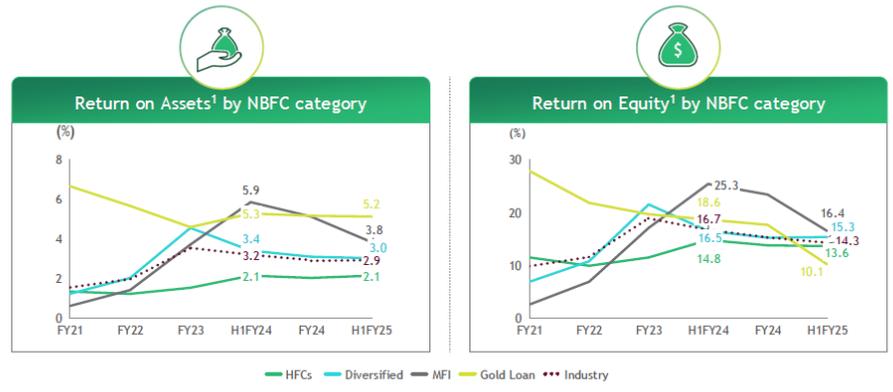
Healthy income growth witnessed across industry; all NBFC categories in green except MFI sector

Values for H1FY25 and in INR Bn



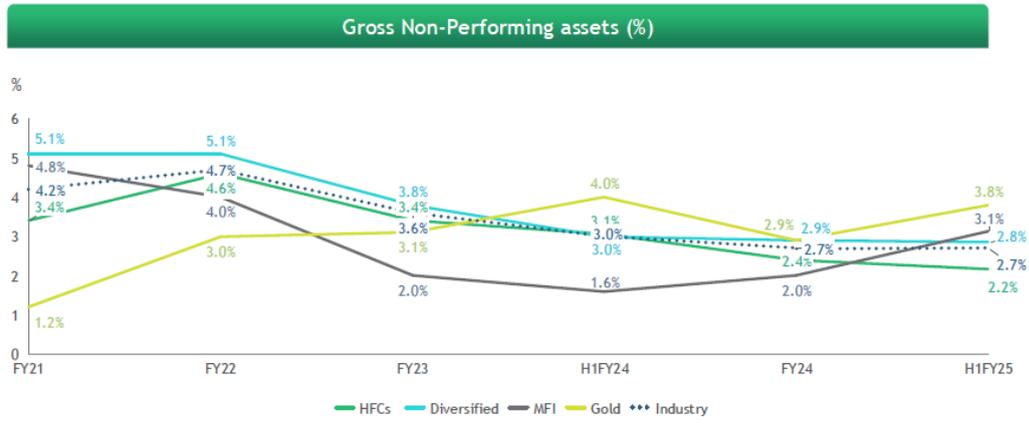
1. YoY growth H1FY25 vs. H1FY24
 Analysis has been made based on 9 HFCs, 2 Gold, 3 MFI, and 16 Diversified NBFCs
 Source: Capitaline; Press releases; BCG analysis

NBFC Sector's profitability shows marginal dip; sharp decline for MFI category



1. Return on Assets is calculated as net profit/average assets 2. Return on Equity is calculated as net profit/average shareholders' fund; Both have been annualized
 Note: For H1FY24 & H1FY25 analysis has been made based on 31 NBFCs (9 HFCs, 2 Gold, 3 MFI, 1 Cards and 16 Diversified NBFCs)
 Source: Capitaline, Quarterly Results, Investor Presentation, Annual Report, BCG Analysis

Asset quality for NBFC sector on an upward trajectory; NPAs for MFI category have increased in last 1 year

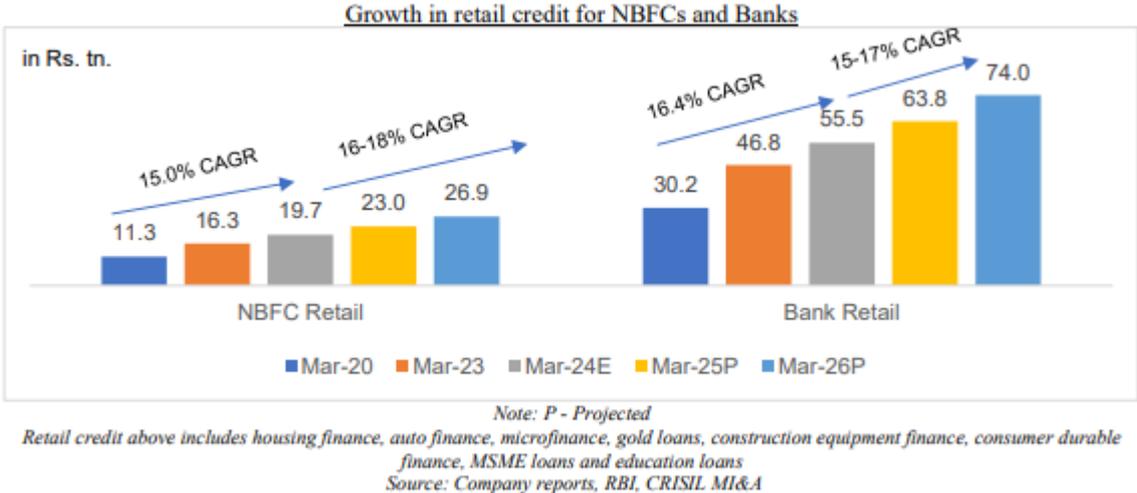


1. GNPA for NBFC categories has been calculated based on weighted average
 Note: For H1FY24 & H1FY25 analysis has been made based on 31 NBFCs (9 HFCs, 2 Gold, 3 MFI, 1 Cards and 16 Diversified NBFCs)
 Source: Financial Results; BCG analysis

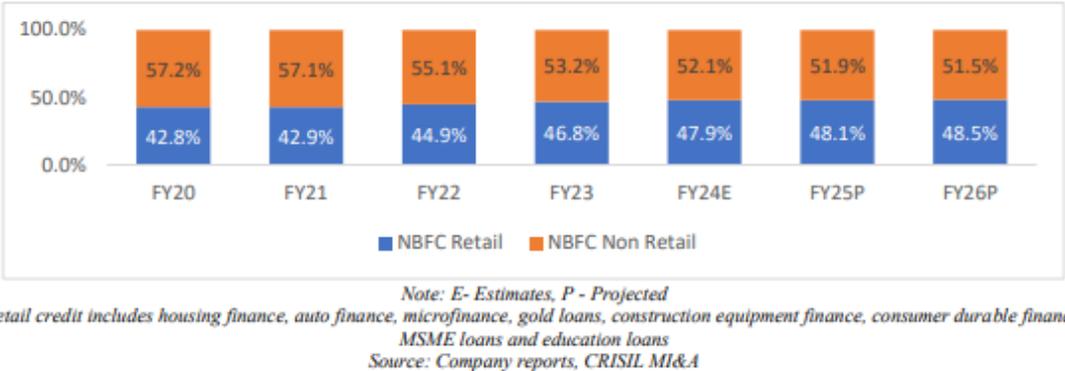
Retail segment to support NBFCs overall credit growth

The NBFC sector has, over the years, evolved considerably in terms of size, operations, technological sophistication, and entry into newer areas of financial services and products. The number of NBFCs as well as the size of the sector have grown significantly, with a number of players with heterogeneous business models starting operations. The increasing penetration of neo-banking, digital authentication, and mobile phone usage as well as mobile internet has resulted in the modularization of financial services, particularly credit. Overall NBFC credit during FY20 to FY24, witnessed a CAGR of ~12% which was majorly led by retail segment which accounts for ~48% of overall NBFC credit and witnessed a CAGR of ~15%, while NBFC non-retail credit witnessed a growth of ~9% during the fiscals.

Going forward, growth in the NBFC retail segment is expected at 16-18% CAGR between FY24-FY26 which will support overall NBFC credit growth, with continued focus on the retail segment and multiple players announcing plans to reduce wholesale exposure, the retail segment’s market share is expected to rise further to 48% by end of FY25 and remain around 48.5% in FY26.



Share of retail credit in total NBFC credit to grow to 48% by end of FY25 and expected to reach 48.5% in FY26



NBFCs have a reasonable market share across segments

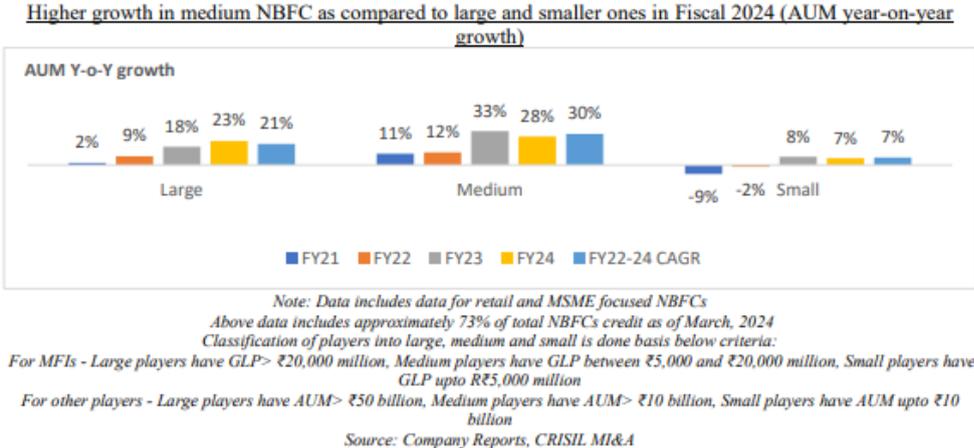
Under-served households and businesses represent a significant proportion of India’s population that faces challenges in obtaining credit due to reasons such as a lack of credit history and the inability to provide collateral. Government initiatives such as Pradhan Mantri Jan-Dhan Yojana (PMJDY), Aadhaar, and widespread digitization (referred collectively as the ‘JAM Trinity’) have expanded the formal financial inclusion for underserved Indian population. Additionally, the widespread availability of affordable data and digital disruption has transformed the financing landscape in India. NBFCs have generally been able to address this opportunity on account of their strong origination skills, extensive reach, better customer service, faster processing, streamlined documentation requirements, digitization of customer on-boarding process, customized product offerings, local knowledge, and differentiated credit appraisal methodology. The rapid evolution of fintechs over the last few years has added another dimension to the market served by NBFCs and has fuelled rapid growth across the landscape.

NBFCs have consistently gained or maintained market share across most asset classes over the last few years. Though, in certain segments such as housing finance to prime customers, they have lost market share to banks due to the decline in market interest rates. In the gold loans market, NBFCs slightly lost market share in Fiscal 2022 due to increasing focus of banks (both public and private) towards gold loans as well as RBI permitting banks to offer gold loans at a higher loan-to-value amidst the COVID-19 pandemic. Nevertheless, NBFCs continue to have a healthy market share across other segments.

Impact of digitization on retail credit

Digital lending products such as instant loans or online personal loans have completely revolutionized retail credit due to great convenience that it offers to the customers. The underwriting process, while essential for assessing borrowers, can sometimes be time-consuming and reliant on subjective elements. Thus, there is room for improvement in leveraging all available data efficiently. Organizations may find opportunities to streamline the process, making it more agile and resource-effective. Lenders are increasingly using their web platforms and creating apps to register, score, approve and disburse loans to their customers. For lenders, digitization has enabled them to make informed decision making through business insight generation and data visualization. Moreover, it has improved lead generation for lenders with faster onboarding of customers, comprehensive loan servicing, and fraud detection. For customers, it has become easier to gather information about different lenders with the help of digitization and compare them. Further, online loan application has made it convenient for borrowers to fill loan applications from remote locations, calculate EMIs, check for eligibility of loan amount and provide all documents digitally which enhances customer experience throughout the process and help them make an informed decision.

Furthermore, the India Stack, a set of APIs and tools that enable the building of digital platforms for various services, has been a game-changer in the retail credit sector. The India Stack includes Aadhaar (for identity verification), e-KYC (for paperless Know Your Customer processes), eSign (for digitally signing documents), and the Unified Payments Interface (UPI) for seamless and instant fund transfers. All of these components have been seamlessly integrated into the digital lending ecosystem, making it easier for lenders to streamline their operations and offer a seamless experience to borrowers. Looking ahead, the digitization of retail credit in India is expected to continue evolving.



(Source : <https://www.northernarc.com/assets/uploads/pdf/Industry-Report.pdf>)

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read "Risk Factors" on page 20 of this Letter of Offer, for a discussion of the risks and uncertainties related to those statements, as well as "Audited Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 103 and 106 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Audited Financial Statements.

Business Overview

Our Company was originally incorporated as Meenakshi Enterprises Limited was incorporated as a Public Limited Company under the provisions of the Companies Act, 1956 on 27th November 1982 in the City of Chennai (formerly known as Madras), Tamil Nadu.

At the time of Incorporation the Company was in the business as traders, exporters, agents representatives, dealers, producers, stockists, importers or distributors of Industrial, commercial, agricultural, scientific, household, domestic, automobile, farm and forest products, goods plants, machineries equipments, apparatus, gadgets, appliances, accessories, spare parts or other merchandise including tea, coffee and to acquire by purchase, lease, exchange, hire or otherwise develop or operate land, buildings and investment of shares and securities.

The Company at the Annual General Meeting held on 09th September, 1997, amended its Object clause of MOA and inserted the objects of business of letting on hire or sale all kinds of commercial and machinery, equipment and tools and to enter in the business of Tour and Travel Agents.

The Company post this applied to the Reserve Bank of India for the issuance of Certificate of Non-Banking Financial Company and the Company was issued by the Reserve Bank of India on 09th March, 1998 under the Registration Certificate No. B-07-00141.

The Company since then has been in to the business of Non-Banking Finance Company and trading in Shares and Securities. Apart from NBFC activities, the Company is also investing in Capital Market as and when the Company seems to gaining from these activities and find opportunities to earn profit.

Business Strategy

- 1. Expand Long-term Client Relationships:** Our company prioritizes building and nurturing long-term relationships with clients. By focusing on trust and sustained satisfaction, we aim to maintain a client-centric approach that drives business growth. Understanding client needs deeply allows us to tailor our products and services effectively, ensuring both customer retention and consistent expansion opportunities.
- 2. Leverage Regional Expertise and Market Relationships:** With a strong presence in Kerala, Tamil Nadu, and Karnataka, we leverage our deep regional understanding to cater to customer preferences and behaviors effectively. By continually refining our product offerings and anticipating market trends, we strive to strengthen customer loyalty and attract new clientele.
- 3. Diversify Credit and Operational Risks:** Our strategy includes diversifying our loan portfolio to mitigate concentration risks. We aim to balance exposure across various sectors, ensuring resilience during market fluctuations. This approach helps manage risk exposure effectively while maintaining consistent credit performance.
- 4. Expand Geographical Footprint:** We plan to enhance our branch network in South India and explore opportunities in neighboring states. Expanding our geographical presence allows us to reach underserved markets, increase revenue potential, and create greater visibility for our brand.
- 5. Focus on Cost-efficient Funding and Product Innovation:** By maintaining financial discipline and optimizing funding sources, we aim to reduce borrowing costs. Competitive pricing of our products ensures market relevance and customer acquisition. Innovation in lending solutions, tailored for regional markets, supports our long-term growth strategy.
- 6. Empowering Rural and Semi-Urban Economies:** We aim to foster financial inclusion by focusing on rural and semi-urban areas in Kerala, Tamil Nadu, and Karnataka. By designing products tailored for micro-

entrepreneurs, small businesses, and self-employed individuals, we empower local economies and create sustainable growth opportunities.

7. **Adopting Digital-First Solutions:** Leveraging advancements in technology, we prioritize building a seamless digital lending platform to enhance customer experience. From onboarding to disbursal, our end-to-end digital processes are designed to ensure speed, accuracy, and convenience for our customers.
8. **Sustainable and Responsible Lending Practices:** We are committed to supporting businesses and individuals in environmentally conscious sectors. By focusing on green lending initiatives, such as loans for renewable energy projects or electric vehicles, we contribute to sustainable development while diversifying our portfolio.
9. **Community-Centric Financial Education:** Recognizing the importance of financial literacy, we regularly conduct workshops and awareness campaigns in underserved areas. This initiative not only creates a more informed customer base but also strengthens our bond with local communities.
10. **Agility in Product Innovation:** By closely monitoring market dynamics, we remain agile in introducing new financial products. Be it specialized credit solutions for emerging sectors or insurance-linked credit offerings, we continuously innovate to meet evolving customer needs.

Our Strengths

- a. **Experienced and Visionary Leadership:** Our senior management team brings extensive expertise in the financial services sector. Their proven ability to drive results, coupled with their deep understanding of regional markets, positions us uniquely for growth and expansion.
- b. **Strong Corporate Governance:** We uphold robust corporate governance practices, ensuring transparency, accountability, and compliance. Our policies and risk management frameworks reflect our commitment to fair trade practices and long-term sustainability.
- c. **Customer-centric Marketing Approach:** Our dedicated marketing teams focus on understanding and addressing customer needs with customized solutions. This ensures customer satisfaction and loyalty, contributing to sustainable business growth.
- d. **Regional Market Knowledge:** Operating predominantly in Kerala, Tamil Nadu, and Karnataka, we have developed unparalleled insight into these regions' markets. This localized understanding allows us to effectively address the financial needs of individuals and businesses in these areas.
- e. **Dedicated and Skilled Workforce:** We believe in empowering our employees through continuous development initiatives. Our workforce, equipped with the skills and motivation to excel, drives our efficiency and productivity, ensuring the consistent delivery of high-quality financial solutions.
- f. **Deep Regional Roots and Expertise:** With a predominant presence in South India, our understanding of cultural, economic, and market-specific nuances enables us to provide personalized financial solutions. This local expertise positions us as a trusted financial partner.
- g. **Robust Risk Management Framework:** Our institution emphasizes a proactive approach to risk assessment and mitigation. By employing advanced analytics and monitoring systems, we ensure stability and reduce exposure to unforeseen market challenges.
- h. **Technology-Driven Operational Efficiency:** We integrate cutting-edge technologies like AI and machine learning into our credit appraisal and customer management processes. This enables accurate credit risk assessment, faster decision-making, and enhanced operational efficiency.
- i. **Focus on Employee Empowerment and Well-being:** Our workforce is the backbone of our success. Through skill enhancement programs, leadership development initiatives, and employee-friendly policies, we create an environment where talent thrives and contributes effectively to organizational goals.
- j. **Commitment to Transparency and Ethics:** Upholding the highest standards of integrity, our company follows ethical practices in all business dealings. Transparent communication with customers, regulators, and stakeholders is at the core of our operations, fostering trust and long-term relationships.

Opportunities

1. Expanding Market Demand:

The growing credit needs of individuals, small businesses, and rural entrepreneurs in South India present significant growth potential. Increasing awareness of financial products and rising aspirations among Tier-II and Tier-III city populations further drive demand for personal and business loans.

2. Financial Inclusion:

Opportunities exist to penetrate underserved rural and semi-urban areas, particularly in Kerala, Tamil Nadu, and Karnataka, where access to formal credit remains limited. By offering tailored products like microfinance and term loans, the company can tap into these high-potential markets.

3. Digital Transformation:

The adoption of digital lending platforms and artificial intelligence (AI)-driven credit assessment tools enables faster loan processing, improved customer experience, and better risk management. JMJ Fintech Limited's proposed investment in technology provides a competitive edge in expanding its customer base and streamlining operations.

4. Government and Regulatory Support:

Policies encouraging entrepreneurship, MSME development, and financial inclusion offer substantial opportunities for NBFCs. Initiatives such as the Credit Guarantee Fund for Micro and Small Enterprises (CGTMSE) and government incentives for startups align with the company's focus on SME and business loans.

5. Diversification of Products and Services:

Expanding the product portfolio to include gold loans and working capital finance will attract a broader customer base and reduce dependence on any single segment. This diversification will enhance the company's resilience to sector-specific risks.

6. Regional Economic Growth:

Kerala, Tamil Nadu, and Karnataka are key economic hubs with vibrant industries such as tourism, IT, manufacturing, and agriculture. Supporting these industries with customized financial solutions creates a long-term growth opportunity for JMJ Fintech Limited.

Threats

1. Regulatory Risks:

NBFCs are subject to stringent regulations from the Reserve Bank of India (RBI). Changes in policies regarding capital adequacy, provisioning for non-performing assets (NPAs), or lending norms could impact operations and profitability. Non-compliance with these regulations may lead to penalties or restrictions.

2. Intense Competition:

The company faces stiff competition from banks, fintech companies, and other NBFCs offering similar products. Competitors with lower cost structures, greater digital capabilities, or wider geographical reach may pose a challenge to market share and profitability.

3. Economic Volatility:

Economic slowdowns, inflation, or rising interest rates could affect borrowers' ability to repay loans, leading to an increase in NPAs. Unfavorable macroeconomic conditions, such as reduced consumer spending or business activity, may also dampen demand for loans.

4. Asset Quality Risks:

Lending to retail borrowers and SMEs carries inherent risks, especially in uncertain economic conditions. Defaults, delays in repayment, or deterioration in asset quality can adversely affect the company's financial condition and liquidity.

5. Technological Disruptions:

Rapid advancements in technology and the emergence of fintech players could disrupt traditional NBFC models. Failure to adopt new technologies or compete with innovative digital solutions may result in a loss of market relevance.

6. Dependence on Borrowing Costs:

The company's financial health is sensitive to changes in borrowing costs. Fluctuations in interest rates or limited access to affordable funding sources could erode margins and affect profitability.

7. Geographical and Client Concentration Risks:

The company's business is concentrated in South India, exposing it to localized risks such as natural disasters, regional economic downturns, or state-specific regulatory changes. Similarly, dependence on specific client segments, such as SMEs or rural borrowers, increases vulnerability to sectoral challenges.

8. Cybersecurity and Data Protection Risks:

With increased reliance on information technology, the company is exposed to risks of cyberattacks, data breaches, and IT system failures. Such incidents can lead to financial losses, reputational damage, and regulatory scrutiny.

9. Default Risks from Low-Income Borrowers:

A substantial portion of the company's rural and personal loans is to low-income borrowers who are more susceptible to economic shocks. High levels of customer defaults could adversely impact the company's financial stability.

Key Business Activities:

1. Loan Products

The NBFC primarily focuses on offering the following loan products tailored to meet the financial needs of individuals and businesses:

a. Personal Loans

Unsecured loans designed to support various personal financial requirements such as medical emergencies, education, travel, or household expenses.

b. Term Loans:

Long-term financing solutions provided to individuals or businesses for capital expenditures, expansion plans, or other significant investments.

c. Business Loans:

Loans offered to small and medium enterprises (SMEs) and self-employed individuals to meet working capital needs, manage cash flow, or invest in growth opportunities.'

2. Target Segments

The NBFC focuses on a diverse customer base, including:

1. **Retail Borrowers:** Salaried individuals, professionals, and self-employed individuals seeking short or medium-term loans.

2. **Small and Medium Enterprises (SMEs):** Providing financial assistance for business expansion, equipment purchase, or other operational needs.
3. **Rural and Semi-Urban Customers:** Extending credit to underserved areas, contributing to financial inclusion in smaller towns and villages across Kerala, Tamil Nadu, and Karnataka.

3. Key Features and Benefits

1. **Quick Disbursements:** Streamlined processes to ensure fast loan approval and disbursement.
2. **Customizable Loan Offerings:** Tailored repayment structures and loan amounts to suit the financial profiles of borrowers.
3. **Customer-Centric Approach:** Focus on building long-term relationships by providing personalized financial solutions.
4. **Digital Transformation:** Leveraging technology for loan applications, approvals, and customer support, ensuring efficiency and convenience.

4. Geographical Presence

- **Kerala:** Strong demand for personal and business loans due to a large diaspora population and a thriving SME sector. The NBFC caters to various industries, including tourism, retail, and agriculture.
- **Tamil Nadu:** A hub for manufacturing, retail, and IT services, offering immense opportunities for term loans and SME financing.
- **Karnataka:** With Bengaluru being a startup hub and an IT powerhouse, the NBFC provides personal loans and working capital finance to professionals and businesses.

5. Risk Management and Compliance

The NBFC ensures strict compliance with Reserve Bank of India (RBI) regulations, including:

- Adhering to capital adequacy norms.
- Maintaining robust risk assessment and credit monitoring frameworks to minimize defaults.
- Implementing Know Your Customer (KYC) and Anti-Money Laundering (AML) policies to ensure transparency and accountability.

6. Contribution to Economic Growth

By catering to the financial needs of individuals and businesses across Kerala, Tamil Nadu, and Karnataka, the NBFC:

- Provides financial support to underserved regions, enhancing financial inclusion.
- Promotes entrepreneurship and SME growth.
- Contributes to the regional economy by funding consumer spending and business investments.

Critical Functional Areas

1. Business Development

This function focuses on identifying new market opportunities and expanding the customer base.

- **Key Responsibilities:**
 - Establish partnerships with local businesses, industries, and intermediaries to promote financial products like personal loans, term loans, and SME loans.
 - Identify underserved markets in rural and semi-urban regions for financial inclusion.
 - Design customer-centric loan products tailored to regional needs.

- Evaluate market trends, competition, and regulatory changes to ensure strategic growth.

2. Sales and Marketing

The sales and marketing team is responsible for customer acquisition, brand building, and creating demand for the company's products and services.

- **Sales Function:**
 - Develop and execute sales strategies to meet loan disbursement and revenue targets.
 - Build a strong field sales team to engage with customers directly and generate leads.
 - Leverage a network of financial advisors and agents to expand market reach.
- **Marketing Function:**
 - Implement digital and traditional marketing campaigns to promote loan offerings across Kerala, Tamil Nadu, and Karnataka.
 - Strengthen brand visibility through regional advertising, digital platforms, and local events.
 - Utilize data analytics and CRM tools to target specific customer segments effectively.

3. Operations

The operations function ensures the seamless execution of day-to-day activities, from loan origination to disbursement and collections.

- **Key Responsibilities:**
 - Process loan applications efficiently, with robust credit risk assessments.
 - Manage customer onboarding and document verification using digital tools and physical channels.
 - Monitor loan repayment schedules and ensure timely collections.
 - Maintain compliance with RBI regulations on KYC, AML, and reporting requirements.
 - Set up customer service support to resolve borrower queries and provide post-loan assistance.

4. Project Management and Engagement Model

The project management function ensures smooth execution of strategic initiatives and customer engagement models.

- **Key Responsibilities:**
 - Oversee the rollout of new financial products and services across the region.
 - Manage customer engagement models, such as loyalty programs and grievance redressal mechanisms.
 - Implement initiatives to improve operational efficiency, such as automation of loan processing systems.
 - Coordinate cross-functional teams for the successful implementation of strategic projects.

5. Quality Management

The quality team ensures that the Company's services meet industry standards and customer expectations.

- **Key Responsibilities:**
 - Develop and enforce policies to maintain high-quality customer service.
 - Monitor customer satisfaction through feedback and surveys.
 - Conduct regular audits of loan processing, collections, and compliance procedures to mitigate risks.
 - Establish performance benchmarks for different functional areas.

6. Human Resources (HR)

HR plays a critical role in building and managing the workforce to drive business growth.

- **Key Responsibilities:**
 - Recruit and onboard skilled staffs in sales, marketing, operations, and risk management.
 - Provide training programs to upskill employees on compliance, customer service, and technology.
 - Foster a culture of accountability and innovation through employee engagement initiatives.
 - Develop performance appraisal systems to reward high performers and address skill gaps.

7. Delivery Infrastructure

The company's delivery infrastructure determines how effectively it can serve customers in its operational regions.

- **Key Elements:**
 - Establish branches and service points in urban, semi-urban, and rural areas.
 - Invest in online loan applications, payment processing, and customer interactions.
 - Build partnerships with third-party agents and fintech companies to extend reach.
 - Ensure robust IT systems and cybersecurity measures to protect customer data and ensure operational continuity.

8. Corporate Development

This function focuses on the strategic growth and expansion of the Company.

- **Key Responsibilities:**
 - Explore opportunities for mergers, acquisitions, or partnerships to expand into new markets.
 - Develop strategies to diversify loan offerings, such as introducing vehicle loans, housing finance, or microfinance.
 - Monitor the competitive landscape and identify trends for future growth.
 - Liaise with regulatory authorities and ensure alignment with industry standards.

9. Finance and Risk Management

The finance team manages the company's financial health, while the risk management function mitigates potential threats to operations.

- **Finance Function:**
 - Oversee funding sources, including debt, equity, and other financial instruments.
 - Manage cash flow, working capital, and budgeting to ensure liquidity.
 - Maintain accurate financial reporting and compliance with taxation laws.
- **Risk Management Function:**
 - Evaluate credit risk by conducting detailed borrower assessments.
 - Monitor and manage non-performing assets (NPAs).
 - Ensure adherence to RBI's capital adequacy norms.
 - Develop contingency plans for external risks like market volatility or natural disasters.

Detailed Business Plans of JMJ Fintech Limited for the Next Three Years

JMJ Fintech Limited, a Non-Banking Financial Company (NBFC), operating primarily in Kerala, Tamil Nadu, and Karnataka, has outlined a strategic three-year business plan focused on sustainable growth, market expansion, and enhanced customer satisfaction. Below is an overview of the company's plans and key initiatives:

1. Business Expansion and Growth Strategy

Year 1: Foundation for Growth

- **Market Penetration:**
 - Strengthen the company's presence in urban and semi-urban regions across Kerala, Tamil Nadu, and Karnataka.
 - Launch targeted marketing campaigns to promote personal loans, term loans, and SME loans in Tier-II and Tier-III cities.
- **Digital Transformation:**
 - Upgrade loan origination, disbursement, and collection systems with AI-driven credit risk analysis and enhanced customer interfaces.
 - Introduce a mobile app for faster loan applications and payments, ensuring convenience for tech-savvy and rural borrowers.
- **Partnerships:**
 - Form alliances with fintech companies for better technology adoption.
 - Partner with local agents and business entities to extend reach in underserved areas.

Year 2: Product Diversification and Regional Expansion

- **Product Portfolio Enhancement:**
 - Launch new financial products such as microfinance loans for rural entrepreneurs, and working capital loans for SMEs.
 - Offer competitive interest rates and flexible repayment options to attract a wider customer base.
- **Regional Outreach:**

- Expand operations into newer regions within South India, especially unexplored rural markets.
- Establish mini-branches or customer service points in remote areas to ensure accessibility.
- **Customer Retention Initiatives:**
 - Introduce loyalty programs and refinancing options for existing customers.
 - Offer personalized financial planning services to enhance customer engagement.

Year 3: Consolidation and National Presence

- **Scale Up Operations:**
 - Evaluate opportunities to expand to other states in India, focusing on high-growth regions like Maharashtra and Andhra Pradesh.
 - Explore the possibility of entering niche markets such as gold loans or housing finance.
- **Strengthen Financial Stability:**
 - Focus on reducing non-performing assets (NPAs) by implementing advanced monitoring systems and proactive customer support.
 - Access diversified funding sources, including co-lending partnerships with banks and market borrowings.
- **Digital Leadership:**
 - Launch a fully integrated digital lending platform with instant approval processes and AI-driven analytics to improve turnaround time and accuracy.

2. Details of the Company's Clients

Client Base by Geography

- **Kerala (90%):**
 - Significant focus on retail borrowers (personal loans).
 - Demand for short-term credit products is driven by remittance-dependent households.
- **Tamil Nadu (5%):**
 - High concentration on retail borrowers (personal loans).
 - Increasing demand for term loans and working capital finance.
- **Karnataka (5%):**
 - A growing base of IT professionals and small businesses. Presently we are providing loans to retail borrowers.
 - Potential for working capital loans and financial products for startups.

Client Base by Industry Vertical

- **Retail Borrowers (90%):** Personal loans dominate due to their versatility and appeal to salaried individuals, professionals, and self-employed individuals.
- **Rural Entrepreneurs (10%):** Growing demand for loans to support small-scale rural businesses and self-employment initiatives.

- **Small and Medium Enterprises:** SMEs in manufacturing, agriculture, and trading sectors rely on term loans and working capital support.

Potential Client Concentration Risks

- **High Dependency on Retail Borrowers:**
 - Retail clients account for a significant portion of the portfolio, exposing the company to risks such as defaults due to job losses or economic downturns.
- **Geographical Dependence:**
 - Kerala currently contribute the majority of the business, creating vulnerabilities to localized economic or regulatory disruptions.

Pricing Differentials Across Clients

JMJ Fintech Limited follows a dynamic pricing strategy, where interest rates are determined based on a combination of factors, such as the borrower's credit score, the nature of the loan, repayment history, prevailing industry standards etc. Retail borrowers seeking personal loans are typically charged higher interest rates due to the unsecured nature of these loans. These rates are calibrated to reflect the increased risk associated with such loans, particularly when collateral is not provided. Factors like a strong credit score and consistent repayment history can, however, help eligible borrowers secure comparatively lower interest rates.

For small and medium enterprises (SMEs), the pricing structure is more competitive, as these loans are often backed by collateral or supported by the borrowers' established creditworthiness. Interest rates in this segment take into account the nature of the business, industry benchmarks, and the financial health of the borrower, including prior loan repayment behavior. Borrowers with stable cash flows and strong repayment records may benefit from more favorable terms, aligning the company's pricing with market standards while managing risks effectively.

In rural and semi-urban markets, loans targeted at micro-enterprises and self-employed individuals generally carry slightly higher interest rates. This is due to the limited availability of collateral and higher credit risk associated with low-income borrowers. However, MJM Fintech Limited ensures that pricing remains flexible and tailored, supporting financial inclusion while balancing risk. By taking a holistic approach to pricing across different borrower categories, the company maintains a fair and competitive framework that aligns with both borrower needs and its risk management objectives.

3. Key Focus Areas for Risk Mitigation

1. **Diversification:** Expand product offerings and client base across industries and geographies to reduce dependency on a specific segment or region.
2. **Technology Adoption:** Leverage advanced analytics for credit risk assessments, early-warning systems, and portfolio monitoring.
3. **Strengthened Collections:** Implement proactive repayment monitoring and offer repayment assistance programs to reduce defaults.

Our Subsidiaries

We do not have any subsidiary as on the date of this Letter of Offer.

Financial performance

Our financial performance is as under:

(in ₹ lakhs)

| Particulars | Quarter and nine months ended on December 31, 2024* | Quarter and nine months ended on December 31, 2023* | FY 2023-24 | FY 2024-25 |
|-------------------------------|---|---|------------|------------|
| Revenue from operation | 1101.01 | 438.91 | 746.41 | 1711.71 |
| EBITDA | 732.36 | 274.63 | 488.65 | 1123.82 |
| Profit after tax (before OCI) | 450.76 | 167.56 | 213.77 | 516.91 |

*Unaudited

Competition

We operate in a highly competitive industry. 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. Company's Competitive Positioning in Each of Its Key Markets are set forth below:

Kerala:

- **Positioning:** JMJ Fintech Limited is a leading provider of personal loans in Kerala, catering to the financial needs of salaried professionals, small traders, and self-employed individuals. The company's quick loan approval process and flexible repayment options have made it a preferred choice for borrowers seeking immediate financial assistance. Its strong presence in rural and semi-urban areas further enhances accessibility for customers who are underserved by traditional banks.
- **Competition:** Competes primarily with local co-operative banks, regional rural banks (RRBs), and established NBFCs like Muthoot Finance, Manappuram Finance etc which have deep regional roots.

Tamil Nadu:

- **Positioning:** In Tamil Nadu, personal loans dominate JMJ Fintech Limited's portfolio, with a focus on semi-urban and rural customers. The company targets salaried employees, professionals, small business owners and self-employed persons who require unsecured loans for personal or business-related expenses. Its ability to offer quick disbursals and competitive rates gives it an edge in this market.
- **Competition:** Faces stiff competition from nationalized banks like Indian Bank, Indian Overseas Bank and fintech lenders that offer app-based personal loans, as well as larger NBFCs with regional networks.

Karnataka:

1. **Positioning:** Karnataka is a key market where JMJ Fintech Limited focuses heavily on personal loans. The company caters to the financial needs of salaried individuals, and self-employed borrowers, emphasizing speed and convenience in loan disbursal. In semi-urban and rural areas, the company addresses the personal credit needs of small traders and households, offering tailored loan products to meet their unique requirements.
2. **Competition:** JMJ Fintech faces significant competition from other fintech companies offering digital loans. Additionally, private banks like HDFC Bank, ICICI Bank have a strong presence in urban Karnataka, posing further competition. These established institutions have extensive customer bases and well-developed lending platforms, making it challenging for JMJ Fintech to capture and maintain market share in this region.

Other Key Resources

Human Resources

The following table provides information about our employees, as on March 31, 2024 and as on December 31, 2024.

| Department | Employee count as on 31.12.2024 | Employee Count as on 31.03.2024 |
|----------------------------|---------------------------------|---------------------------------|
| Top Level Management | 2 | 2 |
| Operations | 2 | 5 |
| Marketing | 2 | 0 |
| Finance and Accounts | 8 | 2 |
| Loans | 115 | 19 |
| Compliance and Secretarial | 1 | 1 |
| HR & Administration | 1 | 1 |
| Total | 131 | 30 |

For further details, please see the section titled “Risk factors - Our company may face challenges due to rapid workforce expansions.” on page 27.

Intellectual Property

Our Company does not own any intellectual property rights in relation to its business. For, further information, please see section titled "Risk Factor" beginning on page 20 of this Letter of Offer.

Insurance

We do not have any insurance policy as on the date of this Letter of Offer.

Properties

The details of the material properties used by our Company for our operations are set forth below:

| Sr. No. | Particulars | Address | Leased/Owned |
|---------|---------------------------|---|--------------|
| 1. | Registered Office | Shop No. 3, 1st Floor, Adhi Vinayaga Complex, No. 3, Bus Stand, Gopalsamy Temple street, Ganapaty, Coimbatore, Ganapathy, Coimbatore, Coimbatore North, Tamil Nadu-641006 | Leased |
| 2. | Corporate Office | Door No 36 Old No 25 469 17, 1st Floor Pooma Complex, Naduvilal, Thrissur, Kerala-680001 | Leased |
| 3. | Regional Office- Thrissur | Door No 36 Old No 25 469 17 1st Floor Pooma Complex, Naduvilal Thrissur Kerala-680001 | Leased |
| 4. | Branch – Adimali | 1st Floor, Uppukandathil Building, Near By LM Bank, Kallarukutty Road Adimali, Idukki – 685561 | Leased |
| 5. | Branch – Akalad | 1st Floor, Afitha Complex, Akalad, Kadiriypalli Thrissur, Kerala– 680518 | Leased |
| 6. | Branch- Ambalapuzha | 1st Floor Randuthayil Building, Punnapra, Punnapra P O, Alappuzha, Kerala – 688004 | Leased |
| 7. | Branch- Anjugram | No.7/85/1, 1st Floor, SS Grand Plaza Building, Viswanathapuram Junction, Levanchipuram Post, Thirunelveli District, Kerala – 627114 | Leased |
| 8. | Branch – Azhiyoor | AVR Complex, Muttungal P O, Kainaty, Vadakara, Calicut, Kerala– 673106 | Leased |
| 9. | Branch – Balussery | 1st Floor, S N Complex, Amarapuri, Balussery Kozhikode, Kerala – 673612 | Leased |
| 10. | Branch- Chathannoor | 1st Floor, Vilayil Building, Plamood Junction, Northchathannoor | Leased |

| | | | |
|-----|--------------------------|---|--------|
| | | Chathannoor P O Kollam, Kerala – 691572 | |
| 11. | Branch- Chavara | Panickers Building, 1st Floor, Vadakkumthala P O, Vettamukk Chavara, Kollam, Kerala – 690536 | Leased |
| 12. | Branch – Edappal | Ground Floor, Panekkat Building Edappal, Naduvattam, Sukapuram Malappuram, Kerala – 679576 | Leased |
| 13. | Branch- Ganapathy (CBTR) | Shop No.3, 1st Floor, Adhi Vinayaga Complex, No.3, Bus Stand, Gopalsamy Temple Street, Ganapaty, Coimbatore Ganapathy Coimbatore North Coimbatore, Tamil Nadu- 641006 | Leased |
| 14. | Branch- Gundlupet | Sharada Complex, 2 Hall, 1st Floor, Marigudi Road, Gundlupet, Karnataka – 571111 | Leased |
| 15. | Branch – Haripad | 1st Floor, Purathuttethu Building, Muttom P O, Haripad, Alappuzha, Kerala – 690511 | Leased |
| 16. | Branch- Kalavoor | Ground Floor, Soumya Complex Near Pullikal Jn, Kavunkal, Mannanchery P O, Kalavoor, Alappuzha, Kerala – 688538 | Leased |
| 17. | Branch- Karungal | No.5/214-A2, 5ST-4 Jain Building, 1st Floor, Nachee Vilai, Karungal Post, Kanniyakumari District, Tamil Nadu – 629157 | Leased |
| 18. | Branch- Kattapana | JMJ Fintech Ltd, 1st Floor, Parakandathil Shopping Complex, Kattappana, Po, Idukki, Kerala-685515 | Leased |
| 19. | Branch - Kottarakkara | 1st Floor, Jewel Tower, Neeleswaram P O, Neduvathur, Kottarakara, Kollam, Kerala– 691505 | Leased |
| 20. | Branch- Kulasekharam | No.15/83C, Ward-15, Thanumaliya Hotel, 1st Floor, Kankari, Thiruvattar Post, Kanniyakumari District, Tamil Nadu – 629177 | Leased |
| 21. | Branch- Kundara | 1st Floor, 21/681 Kunnel Building, Punnamukku, Perumbuzha P O, Kollam, Kerala–691504 | Leased |
| 22. | Branch – Mankamkuzhy | 2nd Floor, Mariam Tower, Opp. Kerala Bank, Mankamkuzhy, Mavelikkara, Alappuzha, Kerala–690558 | Leased |
| 23. | Branch- Marthandam | No.16-28/2,3, Ward 13, 1st Floor, Chirayankuzhi, Kanjiracode Post, Unammalaikadai, Kanniyakumari District, Tamil Nadu – 629155 | Leased |
| 24. | Branch- Meenangadi | 1st Floor, Puthumangalath Complex, Near Stone Gallery, Vidhya Bhavan School Road, Beenachi, Sulthan Bathery Wayanad, Kerala – 673592 | Leased |
| 25. | Branch- Mysore | Hall 2, 1st Floor, Vivekananda Circle, Mysore, Karnataka–570023 | Leased |
| 26. | Branch- Nagarcoil | No.150 Ward-50, 1st Floor CTR Complex, Kunjanvilai, Monikattipottal Post, Kanniyakumari District, Tamil Nadu – 629501 | Leased |

| | | | |
|-----|-------------------------|---|--------|
| 27. | Branch- Nanjangund | 3041/2926, Mahalakshmi Sadana, Above Karnataka Bank, 1st Floor, R.P Road, Nanjangud, Karnataka-571301 | Leased |
| 28. | Branch- Nedunkandam | 3rd Floor, Patmatheertham Complex, Nedumkandam To Munnar Road, Opp. Of Bus Stand, Nedumkandam, Kerala-685553 | Leased |
| 29. | Branch- Ochira | 1 st Floor, Reshma Plaza, Ragam Junction, Prayar Road, Oachira P O, Kollam, Kerala-690526 | Leased |
| 30. | Branch- Palakkad | Ground Floor, Kanakath Tower NH Bypass, Kadamcode Karingarapully Palakkad, Kerala-678551 | Leased |
| 31. | Branch- Pandikkad | MK Complex, Puthukulam, Kanjirampara, Alanallur Malappuram, Kerala-678601 | Leased |
| 32. | Branch- Pathanamthitta | 1st Floor, Puthusseril Building, St.Peter's Junction (Above Federal Bank) Pathanamthitta, Kerala - 689645 | Leased |
| 33. | Branch- Pathiripala | 179F, Ward 9, Mannur Panchayath, Pathiripala, Palakkad, Kerala- 678642 | Leased |
| 34. | Branch- Ramanattukara | Near Chaliyar Jewellery Farook College Road, Chungam Feroke, Calicut, Kerala - 673631 | Leased |
| 35. | Branch- Thaikkattussery | Veliyil Building, Near Govt Beveco Outlet MLA Road ,Thycattussery Cherthala, Alappuzha - 688528 PH : 7736074222 | Leased |
| 36. | Branch- Thamarassery | Ground Floor, MRS Building, Kudikkilumaram, Near Indian Gas Godown, Thamarassery, Kerala-673573 | Leased |
| 37. | Branch- Tirur | 1st Floor, Bappu Haji Arcade Near GHSS, BP Angadi Tirur, Malappuram, Kerala- 676102 | Leased |
| 38. | Branch- Wandoor | 1st Floor, Cheriyl Tower, Nilambur Road, Wandoor Malappuram, Kerala-679328 | Leased |

OUR MANAGEMENT AND ORGANISATION STRUCTURE

A. Board of Directors

As per the Articles of Association, our Company is required to have not less than 3 (Three) and not more than 15(Fifteen) Directors on our Board.

Currently, our Company has 5 (Five) Directors on our Board, comprising of 2 (Two) Executive Director, 3 (Three) Non-Executive Directors including 1 (One) woman Director. The composition of the Board of Directors is governed by the provisions of the SEBI Listing Regulations and the norms of the code of corporate governance as applicable to listed companies in India, the Companies Act, 2013 and the rules framed thereunder.

The following table sets forth certain details regarding the Board of Directors as on date of this Letter of Offer:

| Sr. No. | Name, DIN, Date of Birth, Designation, Address, Occupation, Term, Period of Directorship and Nationality | Age (years) | Other Directorships |
|---------|---|-------------|--|
| 1. | <p>Johny Madathumpady Lonappan</p> <p>Address: Madathumpady House, Cheroor P O, Thrissur, Kerala Pin:680008</p> <p>Designation: Executive Chairman</p> <p>Occupation: Business</p> <p>DIN: 00017895</p> <p>Period of Directorship: Since December 01, 2021</p> <p>Current Term: Upto 30th November 2026</p> <p>Nationality: Indian</p> <p>Date of Birth: 29.09.1952</p> | 73 | 1. Vilvattom Kuries Private Limited |
| 2. | <p>Joju Madathumpady Johny</p> <p>Address: Madathumpady House, Cheroor P O, Thrissur, Kerala Pin:680008</p> <p>Designation: Managing Director</p> <p>Occupation: Business</p> <p>DIN: 02712125</p> <p>Period of Directorship: Since December 09, 2021</p> <p>Current Term: For a period of 5 (three) years from December 09, 2021.</p> <p>Nationality: Indian</p> <p>Date of Birth: 25.02.1976</p> | 49 | 1. Palma Development Finance Private Limited |

| Sr. No. | Name, DIN, Date of Birth, Designation, Address, Occupation, Term, Period of Directorship and Nationality | Age (years) | Other Directorships |
|---------|---|-------------|--|
| 3. | <p>Sivadas Chettoor</p> <p>Address: Sivam, Salamath Nagar, Near Civil Station, Palakkad, Kerala- 678001.</p> <p>Designation: Non-Executive-Independent Director</p> <p>Occupation: Chartered Accountant</p> <p>DIN: 01773249</p> <p>Period of Directorship: Since December 01, 2021</p> <p>Current Term: Upto 1st December 2026</p> <p>Nationality: Indian</p> <p>Date of Birth: 15-10-1957</p> | 68 | <p>1. NTC FINANCE PRIVATE LIMITED, 2. POPEES CARES LIMITED</p> |
| 4. | <p>Julie George Varghese</p> <p>Address: Chithralayam, ESM Colony, Kulathupuzha, Kollam, Kerala-691310</p> <p>Designation: Non-Executive - Independent Director</p> <p>Occupation: Chartered Accountant</p> <p>DIN: 09274826</p> <p>Period of Directorship: Since December 01, 2021</p> <p>Current Term: Upto 1st December 2026</p> <p>Nationality: Indian</p> <p>Date of Birth: 05.12.1988</p> | 37 | ABATE AS INDUSTRIES LIMITED |
| 5. | <p>Velayudhanpillai Harikumar</p> <p>Address: Maveli No.4, Perunna Perumpuzha Kadavu Road, Changanassery, Kottayam, Kerala- 686102.</p> <p>Designation: Non-Executive – Independent Director</p> <p>Occupation: Professional</p> <p>DIN: 10450411</p> <p>Period of Directorship: Since February 13, 2024</p> <p>Current Term: Upto the conclusion of 42nd</p> | 61 | No other directorship |

| Sr. No. | Name, DIN, Date of Birth, Designation, Address, Occupation, Term, Period of Directorship and Nationality | Age (years) | Other Directorships |
|---------|--|-------------|---------------------|
| | Annual General Meeting of the Company Nationality: Indian Date of Birth: 30.05.1964 | | |

Details of directorship in companies suspended or delisted

None of our Directors is or was a director of any listed company during the last five years preceding the date of filing of this Letter of Offer, whose shares have been or were suspended from being traded on any of the stock exchanges during the term of their directorship in such company.

Our Key Managerial Personnel and Senior Management Personnel*

| Sr. No. | Name of person | Designation | Associated with Company Since |
|---------|-----------------------------|--|-------------------------------|
| 1. | Joju Madathumpady Johny | Managing Director | December 09, 2021 |
| 2. | Johny Madathumpady Lonappan | Whole-time Director | December 01, 2021 |
| 3. | Vidya Damodaran | Company Secretary and Compliance Officer | October 01, 2022 |
| 4. | Justin Thomas O | Chief Financial Officer | December 20, 2023 |

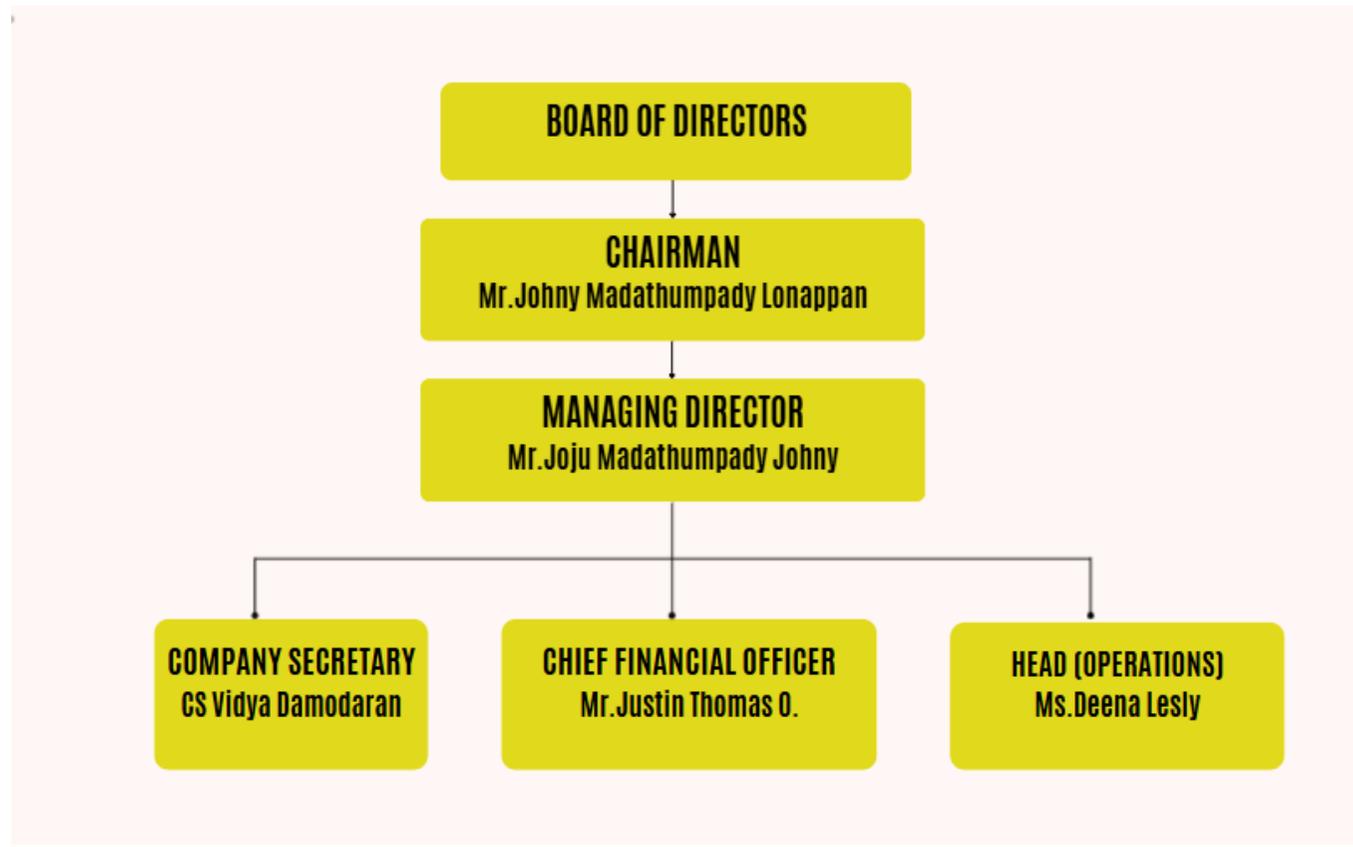
*Mr.Vazhayil Easow Josekutty has resigned from the post of Independent Director due to personal reasons vide its resignation letter dated September 26, 2024. And Mr.Pradeep Kumar Chellppan Kamalakshi has resigned from the post of Independent Director due to personal reasons vide its resignation letter dated March 12, 2024.

Functional Responsibilities of our key Personnel –

| Sr. No | Name | Designation | Functional Responsibilities |
|--------|---------------------------------|--------------------|---|
| 1 | Mr. Johny Madathumpady Lonappan | Executive Chairman | The Chairman is the head of the Board of Directors and is responsible for providing overall strategic guidance and leadership to the company. Key responsibilities include: <ul style="list-style-type: none"> Presiding over board meetings and ensuring effective governance practices. Overseeing the company's adherence to corporate governance and regulatory compliance. Facilitating effective communication between the Board and management. Representing the company in key stakeholder engagements, including with investors, regulators, and shareholders. |
| 2 | Mr. Joju Madathumpady Johny | Managing Director | The Managing Director is responsible for the day-to-day management of the company and executing the strategic vision set by the Board. Key responsibilities include: <ul style="list-style-type: none"> Overseeing all business operations and ensuring financial and operational targets are met. |

| | | | |
|---|---------------------|-------------------------|---|
| | | | <ul style="list-style-type: none"> • Driving business growth and implementing policies approved by the Board. • Managing risks and ensuring compliance with NBFC-specific regulatory frameworks. • Reporting company performance and key developments to the Board of Directors. |
| 3 | Ms. Vidya Damodaran | Company Secretary | <p>The Company Secretary acts as the compliance officer and liaison between the Board, shareholders, and regulatory authorities. Key responsibilities include:</p> <ul style="list-style-type: none"> • Ensuring compliance with the Companies Act, SEBI regulations, RBI guidelines for NBFCs, and other applicable laws. • Managing secretarial functions, including preparation of Board meeting agendas, minutes, and annual reports. • Filing necessary returns and disclosures with regulators such as the Ministry of Corporate Affairs (MCA) and SEBI. • Advising the Board on corporate governance and regulatory matters. |
| 4 | Mr. Justin Thomas O | Chief Financial Officer | <p>The Chief Financial Officer is responsible for managing the company's financial health and regulatory reporting. Key responsibilities include:</p> <ul style="list-style-type: none"> • Overseeing financial planning, budgeting, and analysis. • Ensuring accurate preparation and timely submission of financial statements and reports as per accounting standards and SEBI regulations. • Managing treasury, cash flow, and capital allocation. • Ensuring compliance with RBI's prudential norms and financial disclosures for NBFCs. • Coordinating with auditors and addressing audit findings. |
| 5 | Ms. Deena Lesly | Head (Operations) | <p>The Head of Operations oversees the company's administrative, human resources, and operational functions to ensure smooth and efficient processes. Key responsibilities include:</p> <ul style="list-style-type: none"> • Managing human resources (HR) functions, including recruitment, employee engagement, and training. • Overseeing administrative tasks and office management. • Streamlining and optimizing operational workflows to improve efficiency. • Implementing company policies related to HR, operations, and administration. • Ensuring compliance with statutory regulations related to labor laws and workplace standards. |

B. Organizational Structure



C. Corporate Governance

Certain of 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, to the extent applicable, including the SEBI Listing Regulations, Companies Act and the SEBI (ICDR) Regulations, in respect of corporate governance including 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

In addition to the committees of our Board detailed below, our Board may, from time to time constitute committees for various functions.:

Audit Committee

The members of the Audit Committee are:

| Sr. No. | Name of Director | Committee Designation |
|---------|--|-----------------------|
| 1. | Mr. Sivadas Chettoor- Independent Director | Chairman |
| 2. | Mrs. Julie George Varghese- Independent Director | Member |
| 3. | Mr. Velayudhanpillai Harikumar- Independent Director | Member |

The Company Secretary acts as the secretary of the Audit Committee.

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

- i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Restated Financial Statement is correct, sufficient and credible;
- ii) Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- iii) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- iv) 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 subsection (3) of Section 134 of the Companies Act, 2013; changes, if any, in accounting policies and practices and reasons for the same;
 - 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 transaction;
 - g) Modified opinion(s) in the draft audit report;
- v) Reviewing, with the management, the quarterly Financial Statements before submission to the Board for approval;
- vi) Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the Report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

- vii) Reviewing and monitoring the Auditor's independence & performance, and effectiveness of audit process;
- viii) Approval or any subsequent modification of transactions of the Company with related parties;
- ix) Scrutiny of inter-corporate loans and investments;
- x) Valuation of undertakings or assets of the Company, wherever it is necessary;
- xi) Evaluation of internal financial controls and risk management systems;
- xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii) 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;
- xiv) Discussion with internal auditors of any significant findings and follow up there on;
- xv) 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;
- xvi) 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;
- xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii) To review the functioning of the Whistle-Blower mechanism;
- xix) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- xx) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores 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;
- xxi) Carrying out any other function as may be assigned to it by the board of director from time to time.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

| Sr. No. | Name of Director | Committee Designation |
|---------|---|-----------------------|
| 1. | Mr. Velayudhanpillai Harikumar - Independent Director | Chairman |
| 2. | Mrs. Julie George Varghese- Independent Director | Member |
| 3. | Mr. Johny Madathumpady Lonappan-Wholetime Director | Member |

The Company Secretary acts as the secretary of the Nomination and Remuneration Committee.

The scope, functions and the terms of reference of our Nomination and Remuneration Committee, is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations which are as follows:

- (i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel ("KMP") and other employees;
- A. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare 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 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.

- (ii) Specification of manner and criteria for effective evaluation of performance of Board, its committees and individual directors, to be carried out either by the board or by an independent external agency and review its implementation and compliance.
- (iii) Devising a policy on diversity of board of directors;
- (iv) 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 of directors their appointment and removal.
- (v) 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.
- (vi) Recommend to the board, all remuneration, in whatever form, payable to senior management.

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

| Sr. No. | Name of Director | Committee Designation |
|---------|--|-----------------------|
| 1. | Mrs. Julie George Varghese- Independent Director | Chairperson |
| 2. | Mr. Velayudhanpillai Harikumar- Independent Director | Member |
| 3. | Mr. Johny Madathumpady Lonappan-Wholetime Director | Member |

The Company Secretary acts as the secretary of the Stakeholders' Relationship Committee.

The scope, functions and the terms of reference of our Stakeholders' Relationship Committee, is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations which are as follows:

- (i) To consider and resolve the grievance of all the security holders related to transfer/ transmission of shares, non-receipts of annual reports and non-receipts of declared dividends, issue of new duplicate certificates, general meetings etc.;
- (ii) To review the measures taken for effective exercise of voting rights by shareholders
- (iii) To review the adherence to service standards adopted by the company in respect of various services being rendered by the Share Transfer Agent.
- (iv) To review various measures and initiatives undertaken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- (v) To review and act upon such other grievances as the Board of Directors delegate to the Committee from time to time.

Senior Management

Other than our Chief Financial Officer, Mr. Justin Thomas O and our Company Secretary and Compliance Head, Mrs. Vidya Damodaran, whose details are provided in "Our Key Managerial Personnel and Senior Management" on page 97, there are no other Senior Management Personnels in terms of the SEBI ICDR Regulations, as at the date of this Letter of Offer.

Status of each key managerial personnel, as a permanent employee or otherwise

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

Retirement and Termination Benefits.

Other than the statutory benefits that the Key Managerial Personnel and Senior Management are entitled to, upon their retirement, the Key Managerial Personnel and Senior Management of our Company have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

SECTION VI – FINANCIAL INFORMATION
FINANCIAL STATEMENTS

| Sr.No. | Particulars | Page No |
|---------------|--|----------------|
| 1 | Unaudited standalone Financial Results for the nine months period ended December 31, 2024 including reports thereon. | F-1 to F-04 |
| 2 | Audited standalone Financial Results for the financial year ended March 31, 2025 including reports thereon. | F-05 to F-11 |

Mahesh C.Solanki&Co. Chartered Accountants

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

To the Members of

JMJ FINTECH LIMITED.

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **JMJ FINTECH LIMITED** (the "Company"), for the quarter ended December 31,2024 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Mahesh C. Solanki & Co
Firm Registration Number: 006228C
Chartered Accountants


CA Vinay Kumar Jain
Memb No. 232058



UDIN: 25232058BMKUTH5452

Place: Chennai-06

Date: 05-02-2025

803, Airen Heights, PU-3, Scheme No. 54, Opp. Malhar Mega Mall, A.B. Road, Indore-452 010 (M P) India
Tel:+91-731-3012040, +91-82240-22777 | Fax:+91-731-4067929, Email:info@mcsca.com | Web:www.mcsca.com

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER 2024

| S. No. | Particulars | Quarter Ended | | | | Nine Months Ended | | | | Balance | |
|--------|--|---------------|---------------|---------------|---------------|-------------------|---------------|---------------|------------|---------|--|
| | | 31.12.2024 | 30.09.2024 | 30.06.2024 | 31.12.2023 | 31.12.2024 | 31.12.2023 | 31.12.2023 | 31.03.2024 | Audited | |
| I | Net Sales / Income from Operations | 357.73 | 374.08 | 369.20 | 213.73 | 1,101.01 | 418.91 | 746.41 | | | |
| II | Other Operating Income | 1.71 | 1.30 | - | 0.45 | 3.01 | 1.29 | 0.34 | | | |
| III | Total Income from Operations (Net) | 359.44 | 375.38 | 369.20 | 214.18 | 1,104.02 | 420.20 | 746.75 | | | |
| IV | Expenses | | | | | | | | | | |
| a. | Cost of Material Consumed | - | - | - | - | - | - | - | | | |
| b. | Purchase of Stock-in-Trade | - | - | - | - | - | - | - | | | |
| c. | Changes in inventories of Finished goods work in progress & Stock in Trade | - | - | - | - | - | - | - | | | |
| d. | Finance Cost | 35.88 | 36.30 | 34.11 | 24.85 | 106.29 | 54.41 | 85.00 | | | |
| e. | Employee benefits expenses | 91.69 | 55.64 | 48.26 | 29.77 | 195.58 | 84.93 | 137.13 | | | |
| f. | Depreciation & Amortisation Expense | 7.00 | 5.17 | 4.27 | | 16.43 | - | 18.23 | | | |
| g. | Other Expenses | | | | | | | | | | |
| i. | Administrative Expenses | 51.38 | 40.27 | 31.77 | 33.86 | 123.42 | 77.10 | 120.22 | | | |
| ii. | Provision for Non-Performing Assets Bad debts | 27.93 | 15.08 | 6.63 | 1.07 | 49.65 | 2.25 | 0.41 | | | |
| iii. | Bad debts | - | - | - | - | - | - | - | | | |
| h. | Total Expenses | 213.89 | 152.46 | 125.04 | 89.55 | 491.37 | 218.69 | 360.99 | | | |
| V | Profit before Exceptional and Extra ordinary items and Tax (III-IV) | 145.56 | 222.92 | 244.16 | 124.63 | 612.65 | 221.51 | 385.76 | | | |
| VI | Exceptional items | - | - | - | - | - | - | - | | | |
| VII | Profit before Extraordinary items and Tax (V-VI) | 145.56 | 222.92 | 244.16 | 124.63 | 612.65 | 221.51 | 385.76 | | | |
| VIII | Extraordinary item | - | - | - | - | - | - | - | | | |
| IX | Profit Before Tax(VII-VIII) | 145.56 | 222.92 | 244.16 | 124.63 | 612.65 | 221.51 | 385.76 | | | |
| X | Tax expense | 41.15 | 55.99 | 61.75 | 22.06 | 158.91 | 53.95 | 96.30 | | | |
| a. | Current Tax | 2.83 | - | 0.15 | - | 2.98 | - | - | | | |
| b. | Tax Relating to Earlier Year | - | - | - | - | - | - | - | | | |
| c. | Deferred Tax | - | - | - | - | - | - | - | | | |
| d. | Excess Provision for Tax Written Back | - | - | - | - | - | - | - | | | |
| e. | Provision for RBI Standard Reserve @ 20% on PBT | - | - | - | - | - | - | - | | | |
| XI | Profit/(Loss) for the period from Continuing Operations(IX-X) | 101.58 | 166.93 | 182.26 | 102.57 | 450.76 | 167.56 | 213.78 | | | |
| XII | Profit/(Loss) from Discontinuing Operations | - | - | - | - | - | - | - | | | |
| XIII | Tax expense from Discontinuing Operations (after Tax) (XII-XIII) | - | - | - | - | - | - | - | | | |
| XIV | Profit/(Loss) for the period (XI+XIV) | 101.58 | 166.93 | 182.26 | 102.57 | 450.76 | 167.56 | 213.78 | | | |
| XV | Earning Per Share of Rs. 10:- each (not annualized) | 0.79 | 1.35 | 1.47 | 0.83 | 3.52 | 1.35 | 1.72 | | | |
| a) | Basic | 0.79 | 1.35 | 1.47 | 0.83 | 3.52 | 1.35 | 1.72 | | | |
| b) | Diluted | 0.79 | 1.35 | 1.47 | 0.83 | 3.52 | 1.35 | 1.72 | | | |

NOTES:

- Above results were reviewed by Audit Committee and approved by the Board of Directors in their Board Meeting held on 05th February, 2025
- Figures for the prior periods years have been regrouped and/or classified wherever considered necessary.
- The Statutory Auditors of the company have carried out the Limited Review of the above quarterly financial results.
- Current Tax includes Net of MAT Credit
- Segmental Report for the quarter as per Ind AS-108 is not applicable



For MJM FINTECH LIMITED

[Signature]

JOJU MADATHILAPADY JOHNY
 MDN: 0271213
 Managing Director

Statement of Standalone Assets and Liabilities as at December 31, 2024

Rs in Lacs

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 |
|--|--------------------|----------------------|
| | Unaudited | Audited |
| ASSETS | | |
| (1) Financial Assets | | |
| (a) Cash and Cash equivalents | 54.82 | 5.15 |
| (b) Bank balance other than (a) above | - | - |
| (c) Derivative financial instrument | | |
| (d) Receivables | | |
| (I) Trade Receivables | 0.26 | |
| (II) Other Receivables | 0.08 | |
| (e) Deposits | 29.32 | 21.82 |
| (f) Loan and Advances | 3,312.59 | 2,519.79 |
| (g) Investments | | |
| (h) Other Financial Assets(SPL Interest Accrued) | 14.58 | 14.50 |
| Sub-total (1) | 3,411.65 | 2,561.26 |
| (2) Non- financial Assets | | |
| (a) Inventories | | |
| (b) Current tax assets (Net) | | |
| (c) Deferred Tax assets | 0.83 | 0.83 |
| (d) Investment Property | | |
| (e) Biological Assets other than bearer plants | | |
| (f) Property, Plant & Equipment | 63.16 | 44.76 |
| (g) Capital work-in-progress | | |
| (h) Intangible assets under development | | |
| (i) Goodwill | | |
| (j) Other intangible assets | 19.99 | 12.94 |
| (k) Other non- financial assets | 158.18 | 124.73 |
| Sub-total (2) | 242.16 | 183.25 |
| Total Assets (A) (1+2) | 3,653.81 | 2,744.51 |
| LIABILITIES AND EQUITY | | |
| LIABILITIES | | |
| (1) Financial liabilities | | |
| (a) Derivative financial Instrument | | |
| (b) Payables | | |
| (I) Trade Payables | 20.33 | 14.54 |
| (II) Other Payables | 49.35 | 30.90 |
| (c) Debt securities | | |
| (d) Subordinated Debts | 1,258.00 | 1,035.70 |
| (e) Deposits | | |
| (f) Borrowings | 50.00 | |
| (g) Other financial liabilities | - | |
| Sub-total (1) | 1,377.68 | 1,081.14 |
| (2) Non-financial liabilities | | |
| (a) Current tax liabilities (Net) | 2.49 | 2.01 |
| (b) Provisions | 166.15 | 104.64 |
| (c) Deferred tax liabilities (Net) | | |
| (d) Other non-financial liabilities | | |
| Sub-total (2) | 168.64 | 106.65 |
| (3) Equity | | |
| (a) Equity share capital | 1,280.00 | 1,240.00 |
| (b) Other equity | 827.49 | 316.72 |
| | 2,107.49 | 1,556.72 |
| Total equity and liabilities | 3,653.81 | 2,744.51 |

For JMJ FINTECH LIMITED

JOJU MADATHUMPADY JOHNY
Managing Director
DIN: 02712125

Place : Coimbatore - 641006
Date : February 05, 2025



JMJ FINTECH LIMITED

CIN: L51102TZ1982PLC029253

Regd. Office: Shop No 3, 1st Floor, Adhi Vinayaka Complex, No 3 Bus Stand,
Gopalsamy Temple Street, Ganapathy, Coimbatore, Tamilnadu -641006

Email: investor@jmfintechltd.com | Website: www.jmfintechltd.com | Ph. No. : 7395922291/92

Statement of cash flow for the period from 01st April to 31st Dec 2024

| | | Rs. In Lacs | |
|-------------|---|-----------------|-----------------|
| PARTICULARS | | 31.12.2024 | 31.03.2024 |
| A. | Cash Flow From Operating Activities | | |
| | Net Profit Before Tax & Extra-Ordinary Items | 612.65 | 385.76 |
| | <i>Adjustments for Non-Cash & Non-Operating Expenses</i> | | |
| | Depreciation | 16.43 | 18.23 |
| | Bad Debts written off | - | - |
| | Provision for NPA/ (Written back)/Standard Assets | 49.65 | 0.41 |
| | Share Issue Expenses w/off | - | - |
| | Preliminary Expenses w/off | - | - |
| | Operating Profit Before Working Capital Changes | 678.73 | 404.40 |
| | <i>Adjustments for Working Capital Changes</i> | | |
| A. | Net Cash Flow from Operating Activities | | |
| | Inventories - (Increase) / Decrease | - | - |
| | Trade Receivables - (Increase) / Decrease | - | - |
| | Income Tax Receipts | - | - |
| | Short & Long Term Loans & Advances - (Increase) / Decrease | (842.45) | (1,162.20) |
| | Other Current and Non- Current Assets - (Increase) / Decrease | (41.38) | (116.10) |
| | Liabilities & Provisions - Increase / (Decrease) | (75.65) | 37.75 |
| | Cash Generated from Operations | (280.74) | (836.15) |
| | Taxes Paid During the Year | - | - |
| | Net Cash Flow from Operating Activities | (280.74) | (836.15) |
| B. | Cash Flow From Investing Activities | | |
| | Commercial Deposits and Bank deposits | - | 22.25 |
| | Net (Purchase)/Sale of Fixed Assets | (41.89) | (41.01) |
| | Net Cash Flow from Investing Activities | (41.89) | (18.76) |
| C. | Cash Flow From Financing Activities | | |
| | Proceeds from Issue of Equity Shares | 100.00 | - |
| | Issue Expenses Incurred | - | - |
| | (Repayment)/Availment of Borrowings | 272.30 | 736.60 |
| | Net Cash Flow from Financing Activities | 372.30 | 736.60 |
| D. | Net Increase / (Decrease) in Cash & Cash Equivalents | 49.67 | (118.31) |
| E. | Opening Cash & Cash Equivalents | 5.15 | 123.46 |
| F. | Closing Cash & Cash Equivalents | 54.82 | 5.15 |



Place : Coimbatore - 641 006
Date : February 05, 2025



For MJM FINTECH LIMITED

JOJU MADATHUMPADY JOIGNY
DIN: 02712125
Managing Director

JMJ FINTECH LIMITED

CIN: L51102TZ1982PLC029253

Regd. Office: Shop No 3, 1st Floor, Adhi Vinayaka Complex, No 3 Bus Stand, Gopalsamy Temple Street, Ganapathy, Coimbatore, Tamil Nadu, India -641006

Email: investor@jmfintechltd.com | Website: www.jmfintechltd.com | Ph. No. : 7395922791/92

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST MARCH 2025

Rs. In Lacs

| S. No. | Particulars | Quarter Ended | | | Year Ended | |
|--------|--|---------------|------------|------------|------------|------------|
| | | 31.03.2025 | 31.12.2024 | 31.03.2024 | 31.03.2025 | 31.03.2024 |
| | | Refer Note | Unaudited | Audited | Audited | Audited |
| I | Net Sales / Income from Operations | 610.71 | 357.75 | 307.50 | 1,711.71 | 746.41 |
| II | Other Operating Income | - | 1.71 | -0.95 | 3.01 | 0.34 |
| III | Total Income from Operations (Net) | 610.71 | 359.44 | 306.55 | 1,714.72 | 746.75 |
| IV | Expenses | | | | | |
| a. | Cost of Material Consumed | - | - | - | - | - |
| b. | Purchase of Stock-in-Trade | - | - | - | - | - |
| c. | Changes in inventories of Finished goods/work in progress & Stock in Trade | - | - | - | - | - |
| d. | Finance Cost | 51.17 | 35.88 | 30.59 | 157.40 | 85.00 |
| e. | Employee benefits expenses | 147.03 | 91.69 | 52.20 | 392.61 | 137.13 |
| f. | Depreciation & Amortisation Expense | 7.38 | 7.00 | 18.23 | 23.81 | 18.23 |
| g. | Other Expenses | | | | | |
| i. | Administrative Expenses | 101.51 | 51.38 | 38.11 | 224.93 | 120.22 |
| ii. | Provision for Non-Performing Assets/Bad debts/Standard Assets | -29.30 | 27.93 | 3.17 | 20.35 | 0.41 |
| iii. | Bad debts | - | - | - | - | - |
| | Total Expenses | 277.79 | 213.88 | 142.30 | 769.16 | 360.99 |
| V | Profit before Exceptional and Extra ordinary items and Tax (III-IV) | 332.92 | 145.56 | 164.25 | 945.56 | 385.76 |
| VI | Exceptional items | - | - | - | - | - |
| VII | Profit before Extraordinary items and Tax (V-VI) | 332.92 | 145.56 | 164.25 | 945.56 | 385.76 |
| VIII | Extraordinary Item | - | - | - | - | - |
| IX | Profit Before Tax(VII-VIII) | 332.92 | 145.56 | 164.25 | 945.56 | 385.76 |
| X | Tax expense | | | | | |
| a. | Current Tax | 78.64 | 41.15 | 47.35 | 237.53 | 96.30 |
| b. | Tax Relating to Earlier Year | - | 2.83 | - | 2.98 | - |
| c. | Deferred Tax Asset(Net) | -0.98 | - | -1.47 | -0.98 | (1.47) |
| d. | Excess Provision for Tax Written Back | - | - | - | - | - |
| e. | Provision for RBI Standard Reserve @ 20% on PBT | 189.11 | - | 77.15 | 189.11 | 77.15 |
| XI | Profit/(Loss) for the period from Continuing Operations(IX-X) | 66.15 | 101.58 | 46.22 | 516.91 | 213.78 |
| XII | Profit/(Loss) from Discontinuing Operations | - | - | - | - | - |
| XIII | Tax expense from Discontinuing Operations | - | - | - | - | - |
| XIV | Profit/(Loss) from Discontinuing operations (after Tax) (XII-XIII) | - | - | - | - | - |
| XV | Profit/(Loss) for the period (XI+XIV) | 66.15 | 101.58 | 46.22 | 516.91 | 213.78 |
| XVI | Earning Per Share of Rs. 10/- each (not annualized) | | | | | |
| a) | Basic | 0.52 | 0.79 | 0.37 | 4.04 | 1.72 |
| b) | Diluted | 0.52 | 0.79 | 0.37 | 4.04 | 1.72 |

NOTES:

- The standalone financial results of the company have been prepared in accordance with Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act 2013, read with the companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, the circulars, guidelines and direction issues by the Reserve Bank of India (RBI), Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as Amended and other recognised accounting practices generally accepted in India.
- The above results have been reviewed by the Audit committee and subsequently approved by the Board of Directors in their respective meeting held on April 22, 2025
- The Standalone financial results for the year ended March 31, 2025 have been audited by the Statutory Auditors.
- The figures for the fourth quarter of the current and previous financial year are, the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of third quarter of the current and previous financial year which was subject to limited review by the statutory auditors.
- Report on subordinate debts availed as per the RBI Master Direction DNBR.PD.002.03.10.119/2016-17 - NBFC Acceptance of Public Deposits.
- The company is Primarily engaged in the business of financing and there are no separate reportable segments identified as per Ind AS 108 Operating Segments.
- The figures for the previous periods/ year have been regrouped/ rearranged wherever necessary to conform to the current period presentation. There are no significant regrouping/ reclassification for the quarter under report.



For JM J FINTECH LIMITED

[Signature]
 Joju Madathumpady Johny
 Managing Director
 DIN:02712125

Place : Coimbatore-641006

Date : 22/04/2025

JMJ FINTECH LIMITED

CIN: L51102TZ1982PLC029253

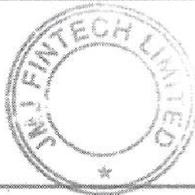
Regd. Office: Shop No 3, 1st Floor, Adhi Vinayaka Complex, No 3 Bus Stand,
Gopalasamy Temple Street, Ganapathy, Coimbatore, Tamilnadu - 641006

Email: investor@jmjfintechltd.com | Website: www.jmjfintechltd.com | Ph. No. : 7395922291/92

Statement of Standalone Assets and Liabilities as at March 31, 2025

| Particulars | Rs. In Lacs | |
|---|----------------------|----------------------|
| | As at March 31, 2025 | As at March 31, 2024 |
| | Audited | Audited |
| ASSETS | | |
| (I) Financial Assets | | |
| (a) Cash and Cash equivalents | 191.59 | 5.15 |
| (b) Bank balance other than (a) above | | |
| (c) Derivative financial instrument | | |
| (d) Receivables | | |
| (I) Trade Receivables | | |
| (II) Other Receivables | 0.35 | |
| (e) Deposits | 38.32 | 21.82 |
| (f) Loans and Advances | 4,256.95 | 2,519.79 |
| (g) Investments | | |
| (h) Other Financial Assets | 18.68 | 14.50 |
| Sub-total (1) | 4,505.89 | 2,561.26 |
| (2) Non- financial Assets | | |
| (a) Inventories | | |
| (b) Current tax assets (Net) | | |
| (c) Deferred Tax assets | 1.81 | 0.83 |
| (d) Investment Property | | |
| (e) Biological Assets other than bearer plants | | |
| (f) Property, Plant & Equipment | 62.36 | 44.76 |
| (g) Capital work-in-progress | | |
| (h) Intangible assets under development | | |
| (i) Goodwill | | |
| (j) Other intangible assets | 23.06 | 12.94 |
| (k) Other non- financial assets | 212.22 | 124.73 |
| Sub-total (2) | 299.45 | 183.25 |
| Total Assets (A) (1+2) | 4,805.34 | 2,744.51 |
| B) LIABILITIES AND EQUITY | | |
| LIABILITIES | | |
| (I) Financial liabilities | | |
| (a) Derivative financial Instrument | | |
| (b) Payables | | |
| (I) Trade Payables | 22.62 | 14.54 |
| (II) Other Payables | 60.16 | 30.90 |
| (c) Debt securities | | |
| (d) Subordinated Debts | 2,006.70 | 1,035.70 |
| (e) Deposits | | |
| (f) Borrowings | 100.00 | |
| (g) Other financial liabilities | | |
| Sub-total (1) | 2,189.48 | 1,081.14 |
| (2) Non-financial liabilities | | |
| (a) Current tax liabilities (Net) | 5.26 | 2.01 |
| (b) Provisions | 247.85 | 104.64 |
| (d) Other non-financial liabilities | | |
| Sub-total (2) | 253.11 | 106.65 |
| (3) Equity | | |
| (a) Equity share capital | 1,280.00 | 1,240.00 |
| (b) Other equity | 1,082.75 | 316.72 |
| | 2,362.75 | 1,556.72 |
| Total equity and liabilities (B) (1+2+3) | 4,805.34 | 2,744.51 |

Place : Coimbatore
Date : 22/04/2025



For JM J FINTECH LIMITED

(Signature)
Joju Madathumpady Johny
Managing Director
DIN:02712125

JMJ FINTECH LIMITED

CIN: L51102TZ1982PLC029253

Regd. Office: Shop No 3, 1st Floor, Adhi Vinayaka Complex, No 3 Bus Stand,
Gopalasamy Temple Street, Ganapathy, Coimbatore, Tamilnadu -641006
Email: investor@jmjfintechltd.com | Website: www.jmjfintechltd.com | Ph. No. : 7395922291/92

Statement of cash flow for the period from 01st April 2024 to 31st Mar 2025

| PARTICULARS | Rs. In Laacs | |
|---|-----------------|-----------------|
| | 31-03-2025 | 31-03-2024 |
| A. Cash Flow From Operating Activities | | |
| Net Profit Before Tax & Extra-Ordinary Items | 945.56 | 385.76 |
| <i>Adjustments for Non-Cash & Non-Operating Expenses</i> | | |
| Depreciation | 23.81 | 18.23 |
| Bad Debts written off | - | - |
| Provision for NPA/ (Written back)/Standrad Assets | 20.35 | 0.41 |
| Share Issue Expenses w/off | - | |
| Preliminary Expenses w/off | - | |
| Operating Profit Before Working Capital Changes | 989.72 | 404.40 |
| <i>Adjustments for Working Capital Changes</i> | | |
| A. Net Cash Flow from Operating Activities | | |
| Inventories - (Increase) / Decrease | - | |
| Trade Receivables - (Increase) / Decrease | - | |
| Income Tax Receipts | - | |
| Short & Long Term Loans & Advances - (Increase) / Decrease | (1,757.51) | (1,162.20) |
| Other Current and Non- Current Assets - (Increase) / Decrease | (109.52) | (116.10) |
| Liabilities & Provisions - Increase / (Decrease) | (55.74) | 37.75 |
| Cash Generated from Operations | (933.04) | (836.15) |
| Taxes Paid During the Year | - | - |
| Net Cash Flow from Operating Activities | (933.04) | (836.15) |
| B. Cash Flow From Investing Activities | | |
| Commercial Deposits and Bank deposits | - | 22.25 |
| Net (Purchase)/Sale of Fixed Assets | (51.53) | (41.01) |
| Net Cash Flow from Investing Activities | (51.53) | (18.76) |
| C. Cash Flow From Financing Activities | | |
| Proceeds from Issue of Equity Shares | 100.00 | - |
| Issue Expenses Incurred | - | - |
| (Repayment)/Availment of Borrowings | 1,071.00 | 736.60 |
| Net Cash Flow from Financing Activities | 1,171.00 | 736.60 |
| D. Net Increase /(Decrease) in Cash & Cash Equivalents | 186.44 | (118.31) |
| E. Opening Cash & Cash Equivalents | 5.15 | 123.46 |
| F. Closing Cash & Cash Equivalents | 191.59 | 5.15 |

Place : Coimbatore-641006

Date : 22/04/2025



For JM J FINTECH LIMITED

Joju Madathumpady Johnny

Managing Director

DIN: 02712125

**INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF DIRECTOS OF M/S JMJ FINTECH LIMITED**

Report on the audit of the Standalone Financial Results

We have audited the accompanying statement of standalone financial results of M/s. JMJ Fintech Limited ("the Company"), for the quarter ended 31 March 2025 and the year-to-date results for the period from 1st April 2024 to 31st March 2025 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations")

Opinion

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter and year ended 31st March 2025

Basis for opinion

We conducted our audit in accordance with the standards on auditing (SAs) specified under section 143 (10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the audit of the standalone financial Result* section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Standalone Financial Results

These quarterly financial results as well as the year-to-date standalone financial results have been prepared on the basis of standalone financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Standalone Financial Results

- a) Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.
- b) Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards will always detect a material misstatement when it exists.
- c) Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results. As part of an audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. And we also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company's to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial results that, individually or in aggregate, makes it probable that the economic decisions of the reasonable knowledgeable user of the standalone financial results may be influenced. We consider quantitative materiality and qualitative factors in

- i. planning the scope of our audit work and in evaluating the results of our work; and
- ii. to evaluate the effect of any identified misstatements in the standalone financial results.

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

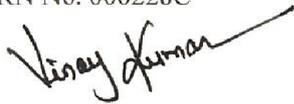
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The figures of the standalone financial results as reported for the quarter ended March 31, 2025 and the corresponding quarter ended in the previous year are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to the end of third quarter of the relevant financial year. Also, The figures up to the end of the third quarter of the current and previous financial year had only been subjected to limited review by us.

Our opinion is not modified in respect of the above matter.

For Mahesh C Solanki & Co.,
Chartered Accountants
FRN No. 006228C



CA Vinay Kumar Jain
Partner
Membership No. 232058
UDIN: **25232058BMKUUM2684**



Place: Chennai
Date: 22-04-2025

ACCOUNTING RATIOS

The following tables present certain accounting ratios as of respective periods. For details, see “Financial Statements” on page 103.

Accounting Ratios (Based on Financial Results)

| Particulars | (₹ in Lakhs unless specified) | | | |
|--|-------------------------------|-----------------------|---|---|
| | Audited FY 2023-24 | Audited FY 2024-25 | Unaudited 31 st December 2024 | Unaudited 31 st December 2023 |
| Earnings Per Share | | | | |
| (a) Basic Earnings Per Share (in Rs.) | 1.72 | 4.04 | 3.52 | 1.35 |
| (b) Diluted Earnings Per Share (in Rs.) | 1.72 | 4.04 | 3.52 | 1.35 |
| PAT | 213.77 | 516.91 | 450.76 | 167.56 |
| Net worth | 1,556.72 | 2362.75 | 2107.49 | 1433.35 |
| Return on Net Worth (%) | 13.73% | 21.88% | 21.38% | 11.69% |
| Net Asset Value / Book Value per Equity Share each (in Rs.) | 12.55 | 18.46 | 16.46 | 11.56 |
| Face Value per Equity Share (in Rs.) | 10.00 | 10.00 | 10.00 | 10.00 |
| EBITDA | 488.65 | 1123.82 | 732.36 | 274.63 |

Certified by M/s Mahesh C Solanki & Co, Chartered Accountants, Statutory Auditors of our Company vide their certificate dated February 05, 2025.

The formula used in the computation of the above ratios are as follows:

| | |
|--|---|
| Basic earnings per share | Net Profit after Tax as per Profit and Loss / Weighted Average number of Equity Shares. |
| Diluted earnings per share | Net Profit after Tax as per Profit and Loss (after adjustment for convertible securities) / Weighted Average number of Equity Shares (including convertible securities). |
| Return on net worth (in %) | Return on Net Worth is calculated as PAT attributable to the owners of the company for the period as presented in the profit and loss in the Financial Statements / Net Worth. |
| Net Worth as per 2(1) (hh) SEBI (ICDR) Regulation, 2018 | 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, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation. |
| Net asset value per Equity Share | Net worth at the end of the year / Number of Equity Shares outstanding at the end of the year. |
| EBITDA | EBITDA is profit before exceptional items and tax minus other income plus finance costs, depreciation and amortisation expense for the year |

Calculation of Return of Net Worth

(₹ in Lakhs unless specified)

| Particulars | Based on Unaudited Financial Results | | Based on Audited Financial Statements | |
|--------------------------------------|--|--|---|---|
| | As at and for the nine months ended December 31,2024 | As at and for the nine months ended December 31,2023 | As at and for the year ended March 31, 2024 | As at and for the year ended March 31, 2025 |
| Profit / (loss) after tax (A) | 450.76 | 167.56 | 213.77 | 516.91 |
| Net Worth (B)* | 2,107.49 | 1,433.35 | 1,556.72 | 2362.75 |
| Return of Net Worth (A/B) (%) | 21.38% | 11.69% | 13.73% | 21.88% |

*Net worth as per 2(1)(hh) of SEBI (ICDR) Regulations, 2018

Calculation of Net asset value per Equity Share

| Particulars | Based on Unaudited Financial Results | | Based on Audited Financial Statements | |
|---|--|--|---|---|
| | As at and for the nine months ended December 31,2024 | As at and for the nine months ended December 31,2023 | As at and for the year ended March 31, 2024 | As at and for the year ended March 31, 2025 |
| Net Worth (A) (₹ in Lakhs) | 2,107.49 | 1,433.35 | 1,556.72 | 2362.75 |
| No. of shares (B) (in numbers) | 128.00 | 124.00 | 124.00 | 128.00 |
| Net Assets Value (₹) [(A x 100,000) / B] | 16.46 | 11.56 | 12.55 | 18.46 |

Calculation of EBITDA

| Particulars | Based on Unaudited Financial Results | | Based on Audited Financial Statements | |
|-----------------------------|--|--|---|---|
| | As at and for the nine months ended December 31,2024 | As at and for the nine months ended December 31,2023 | As at and for the year ended March 31, 2024 | As at and for the year ended March 31, 2025 |
| Profit Before Tax | 612.65 | 221.51 | 385.76 | 945.56 |
| Depreciation & Amortization | 16.43 | 0.00 | 18.22 | 23.81 |
| Finance Cost | 106.29 | 54.41 | 84.99 | 157.46 |
| Less: other Income | 3.01 | 1.29 | 0.33 | 3.01 |
| EBITDA | 732.36 | 274.63 | 488.65 | 1123.82 |

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Unaudited Financial Results for the Nine months period ended December 31, 2024 and Audited Financial Statements as of and for the FY 2023-24 and FY 2024-25 all prepared in accordance with the Companies Act and Ind AS, including the schedules, annexures and notes thereto and the reports thereon, included in the section titled “Financial Information” on page 103. Unless otherwise stated, the financial information used in this chapter is derived from the Audited Financial Statements and Unaudited Financial Results of 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 20 and 15 respectively.

Our financial year ends on March 31 of each year, so all references to a particular “financial year” and “Fiscal” are to the twelve (12) month period ended March 31 of that year. References to the “Company”, “we”, “us” and “our” in this chapter refer to JMJ Fintech Limited on a standalone basis, as applicable in the relevant period, unless otherwise stated. For further information, see “Financial Statements” beginning on page 103.

OVERVIEW OF OUR BUSINESS

Our Company was originally incorporated as Meenakshi Enterprises Limited as a Public Limited Company under the provisions of the Companies Act, 1956 on 27th November 1982 in the City of Chennai (formerly known as Madras), Tamil Nadu.

At the time of Incorporation the Company was in the business as traders, exporters, agents representatives, dealers, producers, stockists, importers or distributors of Industrial, commercial, agricultural, scientific, household, domestic, automobile, farm and forest products, goods plants, machineries equipments, apparatus, gadgets, appliances, accessories, spare parts or other merchandise including tea, coffee and to acquire by purchase, lease, exchange, hire or otherwise develop or operate land, buildings and investment of shares and securities.

The Company at the Annual General Meeting held on September 09, 1997, amended its Object clause of MOA and inserted the objects of business of letting on hire or sale all kinds of commercial and machinery, equipment and tools and to enter in the business of Tour and Travel Agents.

The Company post this applied to the Reserve Bank of India for the issuance of Certificate of Non-Banking Financial Company and the Company was issued by the Reserve Bank of India on March 09, 1998 under the Registration Certificate No. B- 07.00141.

The Company since then has been in to the business of Non-Banking Finance Company and trading in Shares and Securities. Apart from NBFC activities, the Company is also investing in Capital Market as and when the Company seems to gaining from these activities and find opportunities to earn profit.

SIGNIFICANT FACTORS AFFECTING OUR BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our business, financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled ‘Risk Factors’ on page 20. The following are certain factors that had, and we expect will continue to have, a significant effect on our business, financial condition and results of operations:

1. Factors affecting the Banking and Finance Industry;
2. Increasing competition in the Industry;
3. Changes in government regulations, tax regimes, laws and regulations that apply to the industry;
4. Changes in fiscal, economic or political conditions in India;
5. Changes in the foreign exchange control regulations, interest rates and tax laws in India;
6. Our dependence on our key managerial personnel, including our Directors and senior management;
7. Our ability to successfully implement our business strategy and plans.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Financial Statements. For details of our significant accounting policies, please refer section titled “Audited Financial Information” on page 103 of this Letter of Offer.

CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

Except as mentioned in the Notes to the Accounts in the chapter “Audited Financial Information” on page 103 of this Letter of Offer has been no change in accounting policies in last 3 years.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

The Audit Report issued by our Statutory Auditors has no reservations, qualifications and adverse remarks.

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

Revenue

Our revenue comprises of:

Revenue from operations

Our revenue from operations is derived from the sale of products and services. Revenue is comprised of interest income on loan, term loan, gold loan, small personal loan, Bank interest, interest on FD. All these activities are non-banking financial activities. The recognition method depends on the nature of the services rendered by the Company.

Other Income

Other income primarily comprises recurring income, including consultancy income, dividend income, interest income on fixed deposits accrued. It also includes non-recurring income such as creditors written back, statutory provision written off, gains on foreign currency transactions, and miscellaneous income, interest on IT refund.

Expenses

Changes in inventories of Stock-in-Trade

Changes in inventories of stock-in-trade include Sales and Purchase of Shares.

Employee Benefit Expenses

Employee benefit expenses comprise salaries, incentives, wages, gratuity, bonuses, commissions, contributions to provident and other funds, and staff welfare expenses.

Travel Expense

Travel expenses include costs related to traveling and conveyance.

Other Expenses

Other expenses include branch opening expenses, rent, advertisements and business promotion, publicity expenses, commission and brokerage, electricity and water charge, filing fees and subscription, repairs and maintenance, legal and professional fees, electricity, insurance, printing, computer and software expenses, and miscellaneous expenses.

Employee benefit expenses

Employee benefit expenses consists of salaries, wages, gratuity, bonus, commission, contribution to provident fund & other funds and staff welfare expenses.

Other expenses

Other expenses include branch opening expenses, rent, advertisements and business promotion, publicity expenses, commission and brokerage, electricity and water charge, filing fees and subscription, repairs and maintenance, legal and professional fees, electricity, insurance, printing, computer and software expenses, and miscellaneous expenses.

Finance cost

Finance costs comprise interest expenses and other finance-related costs. Interest expenses generally include interest on secured and unsecured loans, interest on income tax, and TDS. Other finance costs consist of bank commissions, letter of credit charges, interest on buyer's credit, loan processing charges, commission on corporate guarantees, loan repayment charges, and term loan renewal charges.

Depreciation and Amortisation Expense

Depreciation and amortization expenses include depreciation on property, and equipment, office equipment, furniture and fixtures, vehicles, computers and peripherals, electrical installations, and amortization of intangible assets.

Provision for non-performing assets/bad debts

Provisions for NPA / bad debts comprises increase in sub-standard assets, bad and doubtful assets and loss assets which are increasing by year on year.

Tax expenses

Tax expenses comprise current tax and deferred tax. Current tax is determined based on taxable income using applicable tax rates and laws. Deferred tax liabilities or credits arise due to differences between taxable and book profits resulting from timing differences. Deferred tax is measured based on applicable tax rates and laws enacted or substantively enacted by the relevant balance sheet date.

The company has demonstrated strong revenue growth driven by expanded operations and higher sales. However, increased expenses in finance costs, employee benefits, and NPAs highlight areas requiring financial management and operational efficiency improvements.

Results of our Operations

The following table sets forth certain information with respect to our results of operations for the periods indicated:

(₹ in Lakhs unless specified)

| Particulars | As on December 31, 2024 | | As on December 31, 2023 | | FY 2023-24 | | FY 2024-25 | |
|---|-------------------------|--------------------|-------------------------|--------------------|---------------|--------------------|----------------|--------------------|
| | Amount | % of Total Revenue | Amount | % of Total Revenue | Amount | % of Total Revenue | Amount | % of Total Revenue |
| Revenue from Operations | 1101.01 | 99.73 | 438.91 | 99.71 | 746.41 | 99.95 | 1711.71 | 99.82 |
| Other Income | 3.01 | 0.27 | 1.29 | 0.29 | 0.34 | 0.05 | 3.01 | 0.18 |
| Total Revenue | 1104.02 | 100.00 | 440.20 | 100.00 | 746.75 | 100.00 | 1714.72 | 100.00 |
| Finance Cost | 106.29 | 9.63 | 54.41 | 12.36 | 84.99 | 11.38 | 157.46 | 9.18 |
| Purchases of Stock-in-Trade | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Changes in Inventories of finished goods, work-in-progress and stock-in-trade | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Employee Benefit Expense | 195.58 | 17.72 | 84.93 | 19.29 | 137.13 | 18.36 | 342.61 | 19.98 |
| Depreciation and Amortization Expense | 16.43 | 1.49 | 0.00 | 0.00 | 18.23 | 2.44 | 23.81 | 1.39 |
| Administrative & Other Expenses | 123.42 | 11.18 | 77.10 | 17.51 | 120.23 | 16.10 | 224.93 | 13.12 |
| Total Expenses | 441.72 | 40.01 | 216.44 | 49.17 | 360.58 | 48.29 | 748.81 | 43.67 |
| Profit Before exceptional and extraordinary items and taxes | 662.30 | 59.99 | 223.76 | 50.83 | 386.17 | 51.71 | 965.91 | 56.33 |
| Exceptional items-Net Provision for Bad debts and NPA, Sub Std and Std | 49.65 | 4.50 | 2.25 | 0.51 | 5.42 | 0.73 | 20.35 | 1.19 |
| B/f NPA Provision Reversed | 0.00 | 0.00 | 0.00 | 0.00 | (5.01) | (0.67) | 0.00 | 0.00 |
| Tax expense: | | | | | | | | |
| (i) Current Tax | 158.91 | 14.39 | 53.95 | 12.26 | 96.30 | 12.90 | 237.54 | 13.85 |
| (ii) Tax relating to earlier years | 2.98 | 0.27 | 0.00 | 0.00 | 0.00 | 0.00 | 2.98 | 0.17 |
| (iiia) Deferred tax Asset | 0.00 | 0.00 | 0.00 | 0.00 | (0.82) | (0.11) | -0.98 | -0.06 |
| (iiib) b/f deferred tax Liability Reversed | 0.00 | 0.00 | 0.00 | 0.00 | (0.64) | (0.09) | 0.00 | 0.00 |
| (iv) Reversal of FY 20-21 tax provision | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (v) Statutory reserve @20% on PBT | 0.00 | 0.00 | 0.00 | 0.00 | 77.15 | 10.33 | 189.11 | 11.03 |
| Total Tax expenses | 161.89 | 14.66 | 53.95 | 12.26 | 171.99 | 23.03 | 428.65 | 25.00 |
| Profit/(Loss) for the period | 450.76 | 40.83 | 167.56 | 38.06 | 213.77 | 28.63 | 516.91 | 30.15 |

Nine months period ended 31st December 2024 to Nine Months ended 31st December 2023

Our total income increased by 150.80% to ₹1,104.02lakhs for nine months ended 31st December, 2024 from ₹440.20 lakhs for the nine months ended 31st December, 2023.

Bifurcated into revenue from operations and other income.. Total revenue comprises of:

Revenue from Operations

Our revenue from operations increased by 150.85% for nine months ended 31st December, 2024 was ₹1,101.01 lakhs from ₹438.91 lakhs for the nine months ended 31st December, 2023.

Other Income

Our other income increased by 133.33 % for nine months ended 31st December, 2024 was ₹3.01 lakhs from ₹1.29 lakhs for the nine months ended 31st December, 2023. Due to new FD interest.

Expenses

Our total expenses increased by 104.08% to ₹441.72 lakhs for nine months ended 31st December, 2024 from ₹216.44 lakhs for the nine months ended 31st December, 2023.

Employee benefit expenses

Our employee benefit expenses increased by 130.28% to ₹195.58 for nine months ended 31st December, 2024 from ₹84.93 for the nine months ended 31st December, 2023, due to increase in salaries & incentives.

Finance cost:

Our finance cost expenses increased by 95.35% for nine months ended 31st December, 2024 to ₹106.29 lakhs from ₹54.41 lakhs for the nine months ended 31st December, 2023. Due to additional Sub-Debt, there is an increase in Sub-Debt interest expense and other bank charges.

Depreciation and Amortisation Expense

Our depreciation and amortization expense increased for nine months ended 31st December, 2024, to ₹16.43lakhs from ₹0.000 lakhs for the nine months ended 31st December, 2023.

Administrative expenses

Our administrative expenses increased by 60.08% from ₹77.10 lakhs for the nine months ended 31st December, 2023 to ₹123.42 lakhs for nine months ended 31st December, 2024, Due to increase in scale of Operations expenses also increased.

Provision for non-performing assets/bad debts

Our Provision for NPA increased by 2106.67% from ₹2.25 lakhs for the nine months ended 31st December, 2023 to ₹49.65 lakhs for nine months ended 31st December, 2024. Due to increase in sub-standard assets and Doubtful Assets.

Tax Expenses:

Our tax expenses increased by 200.07% to ₹161.89 lakhs for nine months ended 31st December, 2024 from ₹53.95 lakhs for the nine months ended 31st December, 2023. Because of increase in Profit which was due to increase in scale of operations.

FY 2024-25 compared to FY 2023-24

Total Revenue

Our total income increased to ₹1714.72 Lakhs in Fiscal 2025 from ₹746.75 lakhs in Fiscal 2024. The total income of March 2025 is ₹1714.72 lakhs. Total revenue comprises of:

Revenue from operations

Our revenue from operations increased by 129.33% to ₹1711.71 lakhs in fiscal year 2025 from ₹746.41 lakhs in fiscal 2024.

Other income

The other income increased by 785.29 % to ₹ 3.01 lakhs in fiscal 2025 from ₹0.34 lakhs in fiscal year 2024.

Expenses

Our total expenditure increased by 107.67% to ₹748.81 lakhs in Fiscal 2025 from ₹ 360.58 lakhs in Fiscal 2024. Total expenditure comprises of:

Employee benefit expenses

Our employee benefit expenses increased by 149.84% from ₹137.13 lakhs in Fiscal 2024 to ₹342.61 lakhs in Fiscal 2025. Due to increase in salaries & incentives.

Finance cost

Our finance cost expenses increased by 185.25% to Fiscal 2025 ₹157.46 lakhs from ₹85.00 lakhs in Fiscal 2024. Due to additional Sub-Debt, there is an increase in Sub-Debt interest expense and other bank charges.

Depreciation and Amortisation Expense

Our depreciation and amortization expense increased by 30.61% from ₹18.23 lakhs in Fiscal 2024 to ₹23.81lakhs in Fiscal 2025 Due to increase in our plant, property and equipment.

Other expenses

Our other expenses increased by 87.09% from ₹120.22 lakhs in Fiscal 2024 to ₹ 224.93 lakhs in Fiscal 2025. Other expenses primarily include travelling expenses, legal and professional fees, insurance and electricity. The expenses have increased as the scale of operations have increased in Fiscal 2025 as compared to Fiscal 2024.

Provision for non-performing assets/bad debts

Our Provision for NPA increased to 20.35 lakhs in Fiscal 2025. Due to increase in sub-standard assets and Doubtful Assets.

Taxation

Our tax expenses are ₹ 240.52lakhs in fiscal 2025 was increased as compared to fiscal year 2024tax expenses ₹96.30 lakhs. Because of increase in Profit which was due to increase in scale of operations.

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 chapter titled “*Risk Factors*” and chapter titled “*Management Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 20 and 106 respectively, of this Letter of Offer, 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.

Related Party Transactions

For details, please see the chapter titled “*Financial Statements*” beginning on page 103.

Significant developments after March 31, 2025 that may affect our future results of operations

Other than as disclosed in this Letter of Offer, there have been no significant developments after March 31, 2024 that may affect our future results of operations. For further information, please see the chapter titled “*Material Developments*” on page 113.

MATERIAL DEVELOPMENTS

Except as stated in this Letter of Offer and as disclosed below, to our knowledge, no material developments have arisen since March 31, 2024, which materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities:

1. The Board of Directors of our Company has, at its meeting held on May 23, 2024, approved the audited financial results for the year ended March 31, 2024 and appointment of Mr. Nidheesh P Anto as the Internal Auditor of the company for the financial year 2024-25.
2. On September 25, 2024, an application was filed with BSE Limited for reclassifying Mr. Sajeeth Mohmmad Salim, from promoter to public shareholders under SEBI regulations and the same was approved on December 31, 2024.
3. The company has started 15 new branches in the States of Kerala, Tamil Nadu & Karnataka from April 2024 to till date.
4. The Board of Directors of our Company has, at its meeting held on February 05, 2025, approved the unaudited financial results for the quarter year ended December 31, 2024.
5. The Company has issued a postal ballot notice dated November 27 2024 and corrigendum dated December 10, 2024 to the notice dated November 27, 2024 for the following businesses:
 - Increasing its authorised share capital from Rs. 25,00,00,000/ (Rupees Thirty-Five Crores only) divided into 2,50,00,000 (Two Crores fifty lakh) shares of face value of Rs. 10/- (Rupees ten only) each to Rs. 40,00,00,000/- (Forty Crores only) divided into 4,00,00,000/- (Four Crores) shares of face value of Rs.10/- (Rupees ten only) each ranking pari passu in all respect with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company.
 - Increase in Managerial Remuneration payable to Mr. Joju Madathumpady Johny (DIN: 02712125), Managing Director of the Company.
 - Increase In Managerial Remuneration Payable to Mr. Johny Madathumpady Lonappan (DIN:00017895), Chairman & Whole-time Director Of The Company.
6. The Board of Directors of our Company has, at its meeting held on January 21, 2025 approved the offer and issuance of partly paid-up equity shares of the Company for an amount not exceeding Rs. 49 Crore (Rupees forty nine Crore) by way of Rights Issue.
7. The Board of Directors of our Company has, at its meeting held on April 22, 2025, approved the audited financial results for the year ended March 31, 2025 and appointment of Mr. Nidheesh P Anto as the Internal Auditor of the company for the financial year 2025-26.

MARKET PRICE INFORMATION

The Equity Shares are listed on the BSE. The Rights Equity Shares will be listed on the Stock Exchange pursuant to the Issue. For further details, please see "*Terms of the Issue*" on page 127 of this Letter of Offer. We have received in-principle approvals for listing of the Rights Equity Shares on the Stock Exchange to be issued pursuant to the Issue from the BSE by letter dated April 30, 2025. Our Company will also make application to BSE to obtain the trading approval from the stock exchange for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

For the purpose of this section, unless otherwise specified:

1. Year is a Financial Year;
2. Average price is the average of the daily closing prices of our Equity Shares for the year, or the month, as the case maybe;
3. High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of our Equity Shares, for the year, the month, or the week, as the case may be; and
4. 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 following table sets forth the high, low and average market prices of the Equity Shares recorded on the BSE during the preceding three years and the number of the Equity Shares traded on the days of the high and low prices were recorded.

| BSE LIMITED | | | | | | | | |
|----------------|----------|-------------------|---|---------|-----------------|--|-------------|--|
| Financial Year | High (₹) | Date of High | Volume on date of high (No. of Equity Shares) | Low (₹) | Date of Low | Volume on date of low (No. of Equity Shares) | Average (₹) | Volume of Equity Shares traded in a year |
| 2023-24* | 32.26 | August 23, 2023 | 40,561 | 12.11 | August 07, 2023 | 4070 | 19.92 | 35,88,390 |
| 2022-23 | 26.45 | February 01, 2023 | 44,600 | 11.70 | June 21, 2022 | 1375 | 15.29 | 25,33,050 |
| 2021-22 | 23.20 | January 04, 2022 | 33,584 | 2.39 | April 09, 2021 | 223 | 10.43 | 15,72,358 |

(Source: www.bseindia.com)

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 Letter of Offer are as follows:

| BSE LIMITED | | | | | | | | |
|--------------|-----------------------|------------------|---|-----------------------|------------------|--|----------------------------|--|
| Month | High (₹) [#] | Date of High | Volume on date of high (No. of Equity Shares) | Low (₹) ^{##} | Date of Low | Volume on date of low (No. of Equity Shares) | Average (₹) ^{###} | Volume of Equity Shares traded in a year |
| January 2024 | 30.97 | January 21, 2025 | 12,022 | 25 | January 13, 2025 | 3974 | 27.43 | 2,15,974 |

| BSE LIMITED | | | | | | | | |
|----------------|-----------|--------------------|---|-----------|--------------------|--|----------------|--|
| Financial Year | High (₹)# | Date of High | Volume on date of high (No. of Equity Shares) | Low (₹)## | Date of Low | Volume on date of low (No. of Equity Shares) | Average (₹)### | Volume of Equity Shares traded in a year |
| December 2024 | 33.49 | December 02, 2024 | 17,481 | 25.33 | December 13, 2024 | 7736 | 28.57 | 3,19,580 |
| November 2024 | 34 | November 11, 2024 | 19,408 | 26.10 | November 18, 2024 | 11,658 | 29.04 | 1,84,198 |
| October 2024 | 30.89 | October 01, 2024 | 15,074 | 23.44 | October 25, 2024 | 11,313 | 27.40 | 2,56,651 |
| September 2024 | 36.82 | September 02, 2024 | 34,129 | 26.02 | September 09, 2024 | 42,118 | 31.17 | 4,90,983 |
| August 2024* | 36.98 | August 30, 2024 | 1,13,699 | 20.30 | August 01, 2024 | 10,192 | 26.38 | 23,52,991 |

High of the daily high prices.

Low of the daily low prices

Arithmetic average of the closing prices of all trading days during the said period.

(Source: www.bseindia.com)

*The Company has allotted 4,00,000 Equity Shares of face value of ₹10/- each at an issue price of ₹25/- per Equity Share, for a total consideration of ₹1,00,00,000/- in accordance with the Companies Act, 2013 and SEBI ICDR Regulations. Pursuant to the allotment, the total number of Equity Shares of the Company have increased from 1,24,00,000 Equity Shares of face value of ₹10/- each to 1,28,00,000 Equity Shares of face value of ₹10/- each.

The total number of days of trading during the past six months was 127 trading days. The average volume of Equity Shares traded on the BSE was 30,082 Equity Shares per day.

The Board of our Company has approved the Issue at their meeting held on March 07, 2024 which was further approved by the shareholder in its Extra-ordinary General Meeting held on April 04, 2024. The high and low prices of our Equity Shares as quoted on the BSE on March 11, 2024 and April 05, 2024, the day on which the trading happened immediately following the date of the Board meeting and Extra Ordinary General Meeting respectively are as follows:

| Date | Volume (No of equity Shares) | High Price (₹) | Low price (₹) |
|-----------------|------------------------------|----------------|---------------|
| BSE | | | |
| March 11, 2024 | 10,186 | 24.50 | 22.70 |
| April 05, 2024* | 31,734 | 23.45 | 21.51 |

*Immediately following trading day of the Extra Ordinary General Meeting.

(Source: www.bseindia.com)

The closing market price of the Equity Shares as on one day prior# to the date of this Letter of Offer was ₹ 20.14 on the BSE. The Issue Price is ₹ 10.50 per Rights Equity Share.

#As on July 11,, 2025

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND OTHER DEFAULTS

Except as described below, there are no material outstanding litigations with respect to (i) issues of moral turpitude or criminal liability on the part of our Company and/or our Subsidiary, (ii) material violations of statutory regulations by our Company and/or our Subsidiary, (iii) economic offences where proceedings have been initiated against our Company and/or our Subsidiary, (iv) any pending matters, which if they result in an adverse outcome would materially and adversely affect operations or financial position of our Company and/or our Subsidiary, and (v) tax matters.

In determining whether any outstanding litigation against our Company, other than litigation involving (a) moral turpitude or criminal liability on the part of our Company and/or our Subsidiary, (b) material violations of statutory regulations by our Company and/or our Subsidiary or (c) proceedings relating to economic offences initiated our Company and/or our Subsidiary, would have a material adverse effect on our business, the materiality threshold has been determined based on threshold prescribed under the SEBI Listing Regulations.

Pre-litigation notices received by our Company and/or our Subsidiary from third parties (excluding notices pertaining to any offence involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences) have not been evaluated for materiality until such time our Company and/or our Subsidiary are impleaded as defendants in litigation proceedings before any judicial forum.

We have, from time to time, been involved in legal proceedings which include, inter alia, criminal proceedings filed by and against us, arising in the ordinary course of our business.

○ **Litigation involving our Company.**

A. Litigation filed against our Company

1. Criminal Proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil

3. Material civil proceedings

Nil

B. Litigation filed by our Company

•Criminal Proceedings

Nil

•Outstanding actions by regulatory and statutory authorities

Nil

•Material civil proceedings

Nil

- **Litigation involving our Directors**
 - *Litigation filed against our Directors*
 1. **Criminal proceedings**

Nil
 2. **Outstanding actions by regulatory and statutory authorities**

Nil
 3. **Material civil proceedings**

Nil
 - B. Litigation filed by our Directors*
 1. **Criminal proceedings**

Nil
 2. **Material civil proceedings**

Nil

III. **Litigation involving our Promoters**

A. Litigation filed against our Promoters

1. **Criminal proceedings**

Nil
2. **Outstanding actions by regulatory and statutory authorities**

Nil
3. **Material civil proceedings**

Nil

B. Litigation filed by our Promoters

1. **Criminal proceedings**

Nil
2. **Material civil proceedings**

Nil

TAX DEMANDS AGAINST OUR COMPANY, DIRECTORS, PROMOTERS

| (₹ in Lakhs)* | | |
|--|---------------------|-----------------|
| Nature of demand | Number of demand(s) | Amount Involved |
| Company | | |
| Direct Tax | 1 | 21.54 |
| Indirect Tax | Nil | Nil |
| Total | Nil | Nil |
| Directors (Excluding Promoters) | | |
| Direct Tax | Nil | Nil |
| Indirect Tax | Nil | Nil |
| Total | Nil | Nil |
| Promoters | | |
| Direct Tax | Nil | Nil |
| Indirect Tax | Nil | Nil |
| Total | Nil | Nil |

IV. Disclosures Pertaining to Willful Defaulters or a Fraudulent Borrower

Neither our Company, nor our Promoters and Directors have been categorized or identified as willful defaulters or fraudulent borrower 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.

Further, we confirm that there are no show cause or legal notices, or any legal or regulatory proceedings or investigations known to be initiated or contemplated against the Company.

V. Outstanding dues to creditors

As of March 31, 2024, our Company owes the following amounts as Sundry Creditors and other payables.

Details of outstanding dues (trade payables) owed as sundry creditors and other payables, as of March 31, 2024, by our Company, are set out below and the disclosure of the financials is available on the website of our Company at www.jmjfintechltd.com.

| (₹ in Lakhs) * | | |
|---|---------------------|-----------------|
| Type of Creditors | Number of Creditors | Amount Involved |
| Outstanding dues to small scale Undertakings | 09 | 14.54 |
| Other dues to other Creditors | 12 | 30.90 |
| Total | 21 | 45.44 |

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company is required to obtain consents, licenses, permissions and approvals from various governmental and regulatory authorities that are required for carrying on our present business operation. Some of the approvals and license that we require for our present business operation may expire in the ordinary course of business, in which case, we will apply for their 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 56 of this Letter of Offer.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

This Issue has been authorized by the resolution passed by our Board at its meeting held on January 21, 2025, pursuant to Section 62(1)(a) and other provisions of the Companies Act.

This Letter of Offer has been approved by our Board/Rights Issue Committee pursuant to their resolutions dated July 12, 2025.

The Board of Directors/ Right issue committee of our Company, in their meeting held on Monday, June 16, 2025 has determined the Issue Price as ₹ 10.50/- per Rights Equity Share and the Rights Entitlements as Two Rights Equity Shares for every One fully paid up Equity Shares held on the Record Date.

Our Company has received '*in-principle*' approval for listing of the Rights Equity Shares to be Allotted pursuant To Regulation 28 of SEBI Listing Regulations, *vide* letter dated April 30, 2025. Our Company will also make applications to BSE to obtain their trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN INE242Q20016 for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. Our Company has been allotted the ISIN INE242Q20016 both from NSDL and CDSL for the Rights Equity Shares issued pursuant to this Issue. For details, see section titled "*Terms of the Issue*" beginning on page 127 of this Letter of Offer.

Prohibition by SEBI or other Governmental Authorities

Our Company, the Promoters, Promoter Group, the Directors and persons in control of our Company have not been or are not prohibited 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 or any securities market regulator in any jurisdiction or any authority/court as on date of this Letter of Offer.

Neither our Company nor our Promoters have been penalized by SEBI for violations of provisions of SEBI LODR Regulations and SEBI (Prohibition of Insider Trading) Regulations, 2015 in the last 5 years. There are no outstanding SEBI actions against our Company or our Promoters and members of our Promoter Group as on the date of this Letter of Offer. For details, see chapter titled "*Outstanding Litigations and Other Defaults*" on page 116 in the chapter titled Outstanding Litigations and Other Defaults.

None of our Promoters and Promoter Group, the Directors, persons in control of our Company or the persons in control of our Promoters and Promoter Group was or is a promoter, director or person in control of any other company which has been restrained, prohibited or debarred from accessing or operating in the capital markets, or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

None of the Directors of our Company are associated with the capital market in any manner. SEBI has not initiated action against any entity with which our directors are associated.

Neither our Promoters nor our Directors are declared as Fugitive Economic Offenders under Section 12 of Fugitive Economic Offenders Act, 2018.

Association of our Directors with the securities market

None of our Directors are associated with the securities market. **Prohibition by RBI**

Neither our Company, nor our Promoter, and Directors have been categorized or identified as wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoter and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent it may be applicable to them as on date of this Letter of

Offer.

Eligibility for the Issue

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Presently, the Equity Shares of the Company are listed on the BSE. We are eligible to undertake the Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI to the SEBI ICDR Regulations.

Applicability of the SEBI ICDR Regulations

The present Issue being of less than ₹5,000 Lakhs, our Company is in compliance with the first proviso to Regulation 3 of the SEBI ICDR Regulations.

Compliance with Regulation 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with requirements of Regulation 61 and 62 of the SEBI ICDR Regulations to the extent applicable. Our Company undertakes to make an application for listing of the Rights Equity Shares to be Allotted pursuant to the Issue. BSE Limited is the Designated Stock Exchange for the purpose of the Issue.

Compliance with Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations as explained below:

- a) Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable, for the last one year immediately preceding the date of filing of this Draft Offer with the BSE;
- b) The reports, statements and information referred to in sub-clause (a) above are available on the website of the BSE; and
- c) Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by the Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

However, in terms of Clause (3) of Part B of Schedule VI of the SEBI ICDR Regulations, following issuers shall mandatorily make disclosures in the Letter of Offer/letter of offer as specified in Part B-1 of this Schedule:

- (a) an issuer whose management has undergone any change pursuant to acquisition of control in accordance with the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 or the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable and is making a rights issue of specified securities for the first time subsequent to such change and a period of three full years has not elapsed since such a change;
- (b) an issuer whose specified securities have been listed consequent to the relaxation granted by the Board under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 for listing of its specified securities pursuant to a scheme sanctioned by a High Court under sections 391 to 394 of the Companies Act, 1956 or approved by a tribunal under sections 230-234 of the Companies Act, 2013, as applicable, and is making a rights issue of specified securities for the first time subsequent to such listing and a period of three full years has not elapsed since such listing.

Since the management of our Company has undergone change pursuant to the acquisition of joint control in accordance with the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, during the financial year 2024-25, the disclosures contained in the Letter of Offer/Letter of Offer have been mandatorily made in terms of Part B-1 of Schedule VI of the SEBI ICDR Regulations.

DISCLAIMER CLAUSES

1. Disclaimer clause of SEBI

The Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of the issue up to Rs. 2700.00 lakhs. The present Issue being of less than Rs. 5,000 lakhs, our Company is in compliance with the first proviso to Regulation 3 of the SEBI ICDR Regulations.

2. Disclaimer from our Company and our Directors

Our Company and our Directors, accept no responsibility for statements made otherwise than in this Letter of Offer or in the advertisement or any other material issued by our Company or by any other persons at the instance of our Company and that anyone placing reliance on any other source of information would be doing so at their own risk.

Investors who invest in the Issue will be deemed to have been represented by our Company and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Rights Equity Shares of our Company and are relying on independent advice/evaluation as to their ability and quantum of investment in this Issue.

No information which is extraneous to the information disclosed in this Letter of Offer or otherwise shall be given by our Company or any member of the Issue management team or the syndicate to any particular section of investors or to any research analyst in any manner whatsoever, including at road shows, presentations, in research or sales reports or at bidding center.

Cautions

Our Company shall make all relevant information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlements, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Letter of Offer is current only as at its date.

3. Disclaimer with respect to jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Coimbatore, Tamil Nadu, India only.

4. Disclaimer Clause of the BSE

“BSE Limited ("the Exchange") has given vide its letter dated April 30, 2025, permission to this Company to use the Exchange's name in this Letter of Offer as the stock exchange on which this Company's securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- Warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; Or
- Warrant that this Company's securities will be listed or will continue to be listed on the Exchange;
- Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this letter of offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such

subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.”

Designated Stock Exchange

The Designated Stock Exchange for the purposes of the Issue is BSE Limited.

Listing

Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

Selling Restrictions

This Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Rights Entitlement Letter, Application Form (collectively “Issue Materials”) and the issue of Rights Equity Shares, to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Issue Materials may come are required to inform themselves about and observe such restrictions.

We are making this Issue of Equity Shares on a rights basis to the Eligible Equity Shareholders and will send/ dispatch the Issue Materials only to the Eligible Equity Shareholders who have provided an Indian address and who are located in jurisdictions where the issue and sale of the Rights Entitlements and the Rights Equity Shares are 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 Issue Materials 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 Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue Materials. We are making this Issue of Equity Shares on a rights basis to the Eligible Equity Shareholders and will send/ dispatch the **Issue Material** only to such Eligible Equity Shareholders who have provided an Indian address to our Company/Registrar.

Further, the Letter of Offer will be provided to those who have provided their Indian addresses to our Company and who makes a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, The Stock Exchange.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Issue Material or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Letter of Offer has been filed with the Stock Exchange.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of the Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter and the

Application Form nor any sale or offer hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at 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.

THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS BUSINESS, LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF BUYING OR SELLING OF RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENTS. AS A RESULT, 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 RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENTS. IN ADDITION, NEITHER OUR COMPANY NOR ANY OF THEIR RESPECTIVE AFFILIATES ARE MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE RIGHTS EQUITY SHARES OR THE RIGHTS ENTITLEMENTS REGARDING THE LEGALITY OF AN INVESTMENT IN THE RIGHTS EQUITY SHARES OR THE RIGHTS ENTITLEMENTS BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

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 THIS LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY 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, THIS LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Accordingly, the Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form should not be forwarded to or transmitted in or into the United States at any time.

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

Our Company, the Registrar, or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which: (i) does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations; (ii) appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where we 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 in respect of any such Application Form.

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

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

Investor Grievances and Redressal System

In compliance with Securities and Exchange Board of India Master Circular for Online Dispute Resolution (“**ODR**”) bearing reference number SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023 (“**SEBI ODR Master Circular**”) we have completed the registration process of our Company on the Smart Market Approach for Resolution through ODR Portal (“**SMART ODR**”). Further we undertake to resolve and take action on the complaints received in respect of the Issue expeditiously and satisfactorily and in accordance with the timelines provided under the SEBI ODR Master Circular and Securities and Exchange Board of India Circular bearing reference number SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023. The Company has authorized its Company Secretary as the Compliance Officer to redress all complaints in relation to the Issue including any complaints regarding the post-issue activities of the Issue such as allotment, refund, and dispatch.

Our Company has adequate arrangements for the 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, to deal with and monitor redressal of complaints from shareholders. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights.

Purva Shareregistry (India) Pvt. Ltd, our Registrar and Share Transfer Agent. 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.

Investor complaints received by our Company are typically disposed of within 21 days from the receipt of the complaint.

Investor Grievances arising out of the Issue

Any investor grievances arising out of the Issue will be handled by the Registrar to the Issue. The agreement between the Company and the Registrar to the Issue provides for a period for which records shall be retained by the Registrar to the Issue in order to enable the Registrar to the Issue to redress grievances of Investors.

Investors may contact the Registrar to the Issue, or our Company Secretary and Compliance Officer for any Issue related matters. 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, contact number(s), e-mail ID of the sole / first holder, folio number or demat account number, serial number of the Application Form, number of the 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*” on page 127.

Investors may contact the Registrar to the Issue at:

Registrar to the Issue

Purva Sharegistry (India) Pvt. Ltd,
9, Shivshakti Ind. Estate J R Boricha Marg,
Lower Parel (East), Mumbai, Maharashtra, 400011
Contact Person: Ms. Deepali Dhuri
Telephone: +91 022 49614132,
Email: newissue@purvashare.com,
Website: www.purvashare.com
Investor Grievance ID: newissue@purvashare.com,
SEBI Registration No.: INR000001112

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 Allotment Advice/demat credit/refund orders etc.

Mrs. Vidya Damodaran is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Company Secretary and Compliance Officer

Mrs. Vidya Damodaran

Shop No. 3, 1st Floor, Adhi Vinayaga Complex,
No. 3, Bus Stand, Gopalsamy Temple Street,
Ganapaty, Coimbatore, Ganapathy, Coimbatore,
Coimbatore North, Tamil Nadu-641006
Telephone: 7395922291,
E-mail: investor@jmjfintechltd.com ,
Website: www.jmjfintechltd.com

In accordance with the SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar at www.purvashare.com. Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is +91 022 49614132.

SECTION VIII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter and the Application Form, before submitting the Application Form. Our Company not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer and the Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up. Unless otherwise permitted under the SEBI ICDR Regulations read with SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this section.

Investors are requested to note that application in this Issue can only be made through ASBA.

OVERVIEW

This Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in the Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the 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, FEMA, FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreement entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment Advice.

Important:

1. Dispatch and availability of Issue Material:

In accordance with the SEBI ICDR Regulations and SEBI Rights Issue Circulars, our Company will send/dispatch, at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Entitlement Letter, Application Form and other issue material (“**Issue Material**”) only to such Eligible Equity Shareholders who have provided their Indian addresses to our Company and who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Material 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 Material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further this Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company, and who makes a request in that regard. In case the Eligible Equity Shareholders have provided their valid e-mail address, this Letter of Offer 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 this Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Investors can access the Letter of Offer, Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- i. our Company at www.jmfintechltd.com;
- ii. the Registrar at www.purvashare.com; and
- iii. the Stock Exchange at www.bseindia.com.

Shareholders who have not received the Application Form may apply, along with the requisite Application Money, by using the Application Form available on the websites above, or on plain paper, with the same details as mentioned in the Application Form available online.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.purvashare.com;) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.jmfintechltd.com).

Our Company along will undertake all adequate steps to reach out to 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 shall be responsible for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to nonavailability of the e-mail 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.

2. Process of Making an Application in this Issue:

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, please see “*Procedure for Application through the ASBA Process*” on pages 129.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as may be applicable. For further details on the Rights Entitlements and demat suspense escrow account, see “*Term of the Issue - Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*” on page 139.

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 this 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 accept this Issue and 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 “*Terms of the Issue - Grounds for Technical Rejection*” on page 135. Our Company, 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 this 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. If an Eligible Equity Shareholder makes an application both in an Application Form as well as on plain paper, both applications are liable to be rejected. Please note that in terms of Regulation 78 of the SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently. For details, see “*Terms of the Issue - Making an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 130.

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.

If the Eligible Equity Shareholder applies in this 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 its 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 Equity Shares; or
5. Renounce its Rights Entitlements in full.

Procedure for Application through the ASBA Process

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with a SCSB prior to making the Application. Investors desiring to make an Application in this 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.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

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.

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 this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not be responsible 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.

Do's for Investors applying through ASBA

1. Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
2. 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.
3. 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.

4. 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.
5. 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.
6. Ensure that you have a bank account with a SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
7. 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.
8. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

Don'ts for investors applying through ASBA

1. Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
2. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or *vice versa*.
3. Do not send your physical Application to the Registrar, 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.
4. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
5. Do not submit Application Form using third party ASBA account.

Making 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 this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or 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 this Issue on plain paper with the same details as per the Application Form that is available on the websites of the Registrar, Stock Exchange. 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 or is a U.S. Person or in the United States.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that 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. If an Eligible Equity Shareholder makes an application both in an Application Form as well as on plain paper, both applications are liable to be rejected.

Please note that in terms of Regulation 78 of the SEBI ICDR Regulations, 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 JMJ Fintech 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 Rights Equity Shares applied for pursuant to this 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 ₹ 10.50/- per Rights Equity Share;

On Application, Investors will have to pay ₹3.15/- per Rights Share which constitutes 30.00% of the Issue Price, and the balance ₹7.35/- per Rights Share which constitutes 70.00% of the Issue Price, will have to be paid, on one or more subsequent Call(s) as determined by our Board / Rights Issue Committee at its sole discretion, from time to time.

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);
16. All such Eligible Equity Shareholders are deemed to have accepted the following:

*“I/ We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (U.S. **Securities Act**), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (United States), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. I/ we understand the Rights Equity Shares referred to in this application are being offered and sold only in offshore transactions outside the United States in compliance with Regulation S under the U.S. Securities Act (**Regulation S**) to existing shareholders who are located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights 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 Rights Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable*

securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under these securities laws of their jurisdiction.

I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

I/we hereby make the representations, warranties, acknowledgments and agreements set forth in 'Restrictions on Foreign Ownership of Indian Securities' on page 155.

I/ We understand and agree that the Rights Entitlements and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in accordance with Regulation S to a person outside the United States.

I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States or a Qualified Institutional Buyer (as defined in the U.S. Securities Act), and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S or in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act.

I/ We acknowledge that we, the Company its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, 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 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 www.purvashare.com. Our Company 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 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 Rights Issue Circular, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such shareholders will not be allotted any Rights Equity Shares, nor such Rights Equity Shares be kept in suspense escrow account on behalf of such shareholder. For further details, see "Terms of the Issue – Credit of Rights Entitlement in demat account of Eligible Equity Shareholders" on page 139.

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 this Issue:

1. The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
2. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date; and
3. The remaining procedure for Application shall be same as set out in “*Terms of the Issue - Making an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 130.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed 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 Equity Shares while submitting the Application through ASBA process.

PLEASE NOTE THAT 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 Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. 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 “*Terms of the Issue-Basis of Allotment*” beginning on page 150.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.

Additional general instructions for Investors in relation to making an Application

1. Please read this Letter of Offer carefully to understand the Application process and applicable settlement process.
2. The Application Form can be used by both the Eligible Equity Shareholders and the Renounees.
3. Application should be made only through the ASBA facility.
4. In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circular and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.
5. An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with a SCSB, prior to making the Application.
6. Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and / or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.

7. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under “*Terms of the Issue - Making an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 130.
8. 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 the Stock Exchange.
9. Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form.
10. Applications should not be submitted to the Banker(s) to the Issue, our Company or the Registrar.
11. 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, 1961, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
12. Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (**Demographic Details**) are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and / or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Investor as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar 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 3 parameters i.e., (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.
13. 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.
14. 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.
15. Investors should provide correct DP ID and Client ID / Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID should match the demat account details in the records available with Company and / or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the SCSBs or the Registrar will not be liable for any such rejections.
16. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the

relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.

17. 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 this 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.
18. 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.
19. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
20. Do not submit the General Index Registrar number instead of the PAN as the application is liable to be rejected on this ground.
21. Avoid applying on the Issue Closing Date due to risk of delay / restrictions in making any physical Application.
22. Do not pay the Application Money in cash, by money order, pay order or postal order.
23. Do not submit multiple Applications.
24. No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.
25. An Applicant being an Overseas Corporate Body (**OCB**) is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.
26. 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.

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

1. DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
2. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
3. Sending an Application to our Company, Registrar, Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB.
4. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
5. Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to a regulatory order.

6. Account holder not signing the Application or declaration mentioned therein.
7. Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
8. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
9. Submitting the General Index Registrar 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).
10. 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.
11. Applications by SCSB on its own account, other than through an ASBA Account in its own name with any other SCSB.
12. Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.
13. Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
14. Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
15. 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.
16. Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and QPs) or other jurisdictions where the offer and sale of the Rights 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 Rights 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 Rights Equity Shares in respect of any such Application Form.
17. Applications which have evidence of being executed or made in contravention of applicable securities laws.
18. Applicants holding physical shares not submitting the documents. For further details, see “*Terms of the Issue – Making an application by Eligible Equity Shareholders holding Equity Shares in physical form*” on page 132.
19. 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).

Multiple Applications

In case where multiple Applications are made using same demat account, 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 supplementary Applications in relation to further Equity Shares with / without using additional Rights Entitlement 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 138.

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 Promoters to meet the minimum subscription requirements applicable to this Issue as described in “*Capital Structure*” on page 53.

Procedure for Applications by certain categories of Investors

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements.

FPIs are permitted to participate in this 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.

No investment under the FDI route will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval.

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 the SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to a rights issue. Accordingly, applications by VCFs or FVCIs will not be accepted in this 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 a rights issue. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCsBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e. any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. our Company will not be responsible for any Allotments made by relying on such approvals.

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 this 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 Circular 2020 has been recently amended to state that all investments by entities incorporated in a country which shares a 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. 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 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

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for Applications by Systemically Important Non-Banking Financial Companies (NBFC-SI)

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of Reserve Bank of India Act, 1934 and (b) net worth certificates 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 August 16, 2025 i.e., Issue Closing Date. Our Board and, or, the Rights Issue Committee may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding thirty days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with a 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 the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Rights Equity Shares hereby offered, as set out in entitled "*Terms of the Issue - Basis of Allotment*" on page 150.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

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 this Issue may withdraw their application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor may withdraw their application post the Issue Closing Date.

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 to the Eligible Equity Shareholders upon submission of the Application.

Our Board reserves its full, unqualified, and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts. 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 on or before T+1 day (T: Basis of allotment day). 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.

3. 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 dematerialized 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 the 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. www.purvashare.com;) by entering their DP ID and Client ID and PAN. The link for the same shall also be available on the website of our Company (i.e., www.jmjfintechltd.com).

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 get lapsed 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 subscription of Rights Equity Shares offered under the Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on the 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 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., www.purvashare.com;) Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

Credit of Rights Entitlements in demat account

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of 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 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 Listing 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.

In this regard, our Company has made necessary arrangements with CDSL and NSDL for crediting 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 INE242Q20016. The ISIN for the Rights Entitlements shall remain frozen (for debit) until the Issue Opening Date. The ISIN for the Rights Entitlements shall be suspended for transfer by the Depositories post the Issue Closing Date.

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 Working Days prior to the Issue Closing Date, i.e., Wednesday, August 13, 2025 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 this 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 account is active to facilitate the aforementioned transfer.

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.

PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS EQUITY SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS EQUITY SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, SEE “PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS” ON PAGE 129.

Other important links and helpline:

The Investors can visit following links for the below-mentioned purposes:

- Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: www.purvashare.com;
- Updation of Indian address/ email address/ mobile number in the records maintained by the Registrar or our Company: www.purvashare.com;
- Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: www.purvashare.com;
- Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Equity Shareholders: newissue@purvashare.com

4. Renunciation and Trading of Rights Entitlement

Renounees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounee(s) as well.

Renunciation of Rights Entitlements

This 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 (**On Market Renunciation**); or (b) through an off-market transfer (**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.

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.

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.

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 Rights Issue Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN 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 Friday, July 18, 2025 to Tuesday, August 12, 2025 (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 INE242Q20016 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 BSE under automatic order matching mechanism and on 'T+1 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchange and SEBI.

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 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 (for Rights Entitlement), 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 CDSL and NSDL from time to time.

5. 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 the 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, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the 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 this 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 Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income Tax Act, 1961. 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 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 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 Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

6. Basis for this Issue and Terms of this Issue

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of 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*” on page 47.

Face Value

Each Rights Equity Share will have the face value of ₹10/-.

Issue Price

The Rights Equity Shares are being offered at a price of ₹ 10.50/- per Rights Equity Share in this Issue.

The Issue Price for Rights Equity Shares has been arrived at by our Company and has been decided prior to the determination of the Record Date.

On Application, Investors will have to pay ₹3.15/- per Rights Share which constitutes 30.00% of the Issue Price, and the balance ₹7.35/- per Rights Share which constitutes 70.00% of the Issue Price, will have to be paid, on First and Final Call.

Terms of Payment

| Amount Payable per Rights Equity Shares ⁽¹⁾ | Face Value (₹ per Rights Equity Share) | Premium (₹ per Rights Equity Share) | Total (₹ per Rights Equity Share) |
|---|--|-------------------------------------|-----------------------------------|
| On Application | 3.00 | 0.15 | 3.15 ⁽²⁾ |
| One or more subsequent Call(s) as determined by our Board and, or, the Rights Issue Committee, at its sole discretion, from time to time [#] | 7.00 | 0.35 | 7.35 ⁽³⁾ |
| Total | 10.00 | 0.50 | 10.50 |

⁽¹⁾ For further details on Payment Schedule, see "Terms of the Issue" on page 127 of this Letter of Offer.

⁽²⁾ Constitutes 30.00% of the Issue Price

⁽³⁾ Constitutes 70.00% of the Issue Price

[#] To be paid at such time as may be determined by the Board at its sole discretion.

Rights Equity Shares in respect of which the Call payable remains unpaid may be forfeited, at any time after the due date for payment of the balance amount due in accordance with the Companies Act, 2013 and our articles of Association.

Where an Applicant has applied for additional Rights Equity Shares 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 within such period as prescribed under the SEBI ICDR Regulations. If 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.

Rights Entitlements Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of Two Rights Equity Shares for every One fully paid-up Equity Shares held by the Eligible Equity Shareholders as on the Record Date.

Face Value

Each Rights Equity Share will have the face value of ₹ 10.

Issue Price

Each Rights Equity Share is being offered at a price of ₹ 10.50/- per Rights Equity Share per Rights Share in the Issue.

The Issue Price has been arrived at by our Company prior to the determination of the Record Date.

On Application, Investors will have to pay ₹ 3.15/- per Rights Share which constitutes 30.00 % of the Issue Price, and the balance ₹ 7.35/- per Rights Share which constitutes 70.00 % of the Issue Price, will have to be paid, on First and Final Call.

The Issue Price for Rights Equity Shares has been arrived at by our Company and has been decided prior to the determination of the Record Date.

Record date for Call and suspension of trading

Our Company would convene a meeting of our Board to pass the required resolutions for making the Call and suitable intimation would be given by our Company to the Stock Exchange. Further, advertisements for the same will be published in (i) one English national daily newspaper; (ii) one Hindi language national daily newspaper; and (iii) one Tamil language daily newspaper (Tamil being the regional language of Tamil Nadu, where our Registered Office is situated), all with wide circulation.

The Call shall be deemed to have been made at the time when the resolution authorizing such Call is passed at the meeting of our Board. The Call may be revoked or postponed at the discretion of our Board. Pursuant to the provisions of the Articles of Association, the Investors would be given at least 15 days' notice for the payment of the Call. The Board may, from time to time at its discretion, extend the time fixed for the payments of the Call. Our Company, at its sole discretion and as it may deem fit, may send one or more reminders for the Call, and if it does not receive the Call Money as per the timelines stipulated, the defaulting holders of the Rights Equity Shares will be liable to pay interest as may be fixed by our Board unless waived or our Company may forfeit the Application Money and any Call Money received for previous Call made.

Payment of Call Money

In accordance with the SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/238/2020 dated December 08,2020 regarding additional payment mechanism (i.e. ASBA, etc.) for payment of balance money in calls for partly paid specified securities issued by the listed entity, the Investor may make payment of the Call Monies using ASBA Mechanism through the Designated Branch of the SCSB or through online/electronic through the website of the SCSBs (if made available by such SCSB) by authorizing the SCSB to block an amount, equivalent to the amount payable on Call Monies, in the Investors ASBA Account. The Investor may also use the facility of linked online trading, demat and bank account (3-in-1 type account), if provided by their broker, for making payment of the Call Monies.

Separate ISIN for Rights Equity Shares

In addition to the present ISIN for the existing Equity Shares, our Company would obtain a separate ISIN for the Rights Equity Shares for each Call, until fully paid-up. The Rights Equity Shares offered under this Issue will be traded under a separate ISIN after each Call for the period as may be applicable under the rules and regulations prior to the record date for the final Call notice. The ISIN representing the Rights Equity Shares will be terminated after the Call Record Date for the final Call. On payment of the final Call Money in respect of the Rights Equity Shares, such Rights Equity Shares would be fully paid-up and merged with the existing ISIN of our Equity Shares.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of Two Rights Equity Share for every One Equity Share held on the Record Date. Thus, fractional entitlements shall not arise in the Issue.

Ranking

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of 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 being issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association. The Rights Equity Shares shall rank pari-passu, in all respects including dividend, with our existing Equity Shares.

Listing and trading of the Rights Equity Shares to be issued pursuant to this 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 the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this 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 vide letter dated April 30,2025 bearing reference number LOD/RIGHT/AM/124/2025-26.

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 this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 538834) under the ISIN: INE242Q01016). 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 existing ISIN for the 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 this 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 the Stock Exchange, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within 4 (Four) days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within said period, 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.

Mode of payment of dividend

In the event of declaration of dividend, our Company shall pay dividend to the Eligible Equity Shareholders as per the provisions of the Companies Act and the provisions of the Articles of Association.

Subscription to this Issue by our Promoters and our Promoter Group

For details of the intent and extent of subscription by our Promoters and the Promoter Group, please see the chapter titled "*Capital Structure – Intention and extent of participation in the Issue by the Promoter and Promoter Group*" on page 54.

Rights of Holders of Rights Equity Shares of our Company

Subject to applicable laws, the holders of Rights Equity Shares shall have the following rights:

- i. The right to receive dividend, if declared;
- ii. The right to vote in person, or by proxy except in case of the Rights Equity Shares credited to the demat;
- iii. The right to receive surplus on liquidation;
- iv. The right to free transferability of Rights Equity Shares;
- v. The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in the Letter of Offer; and
- vi. Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

7. GENERAL TERMS OF THE ISSUE

Market Lot

The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Rights 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 Rights Equity Shares offered in this Issue.

Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 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 Rights Equity Shares to be Allotted in this 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 Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

Notices

In accordance with the SEBI ICDR Regulations, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue material will be sent / dispatched only to the Eligible Equity Shareholders who have provided their Indian address to our Company. 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 dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this 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.

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 Tamil language daily newspaper with wide circulation (Tamil being the regional language where our Registered Office is situated).

The Letter of Offer, Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue rights equity shares to non-resident shareholders including Additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 read with FEMA Rules, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for Allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Entitlement Letters/ letters of Allotment/Allotment Advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at Purva Sharegistry (India) Pvt. Ltd, Shivshakti Ind. Estate J R Boricha Marg, Lower Parel (East), Mumbai, Maharashtra, 400011. 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 our Company will not be responsible for any such Allotments made by relying on such approvals.

In accordance with the SEBI ICDR Regulations, the Abridged Letter of Offer, Application Form, the Rights Entitlement Letter and other applicable Issue material will be sent / dispatched only to the Eligible Equity Shareholders who have provided their Indian address to our Company. 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 dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent to the e-mail address of non-resident Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchange. The Board of Directors may at its absolute discretion, agree to such terms and conditions as may be stipulated by the 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.

Please note that pursuant to Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of the RBI and to obtain prior approval from RBI for applying in this Issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. at www.purvashare.com.

PROCEDURE FOR APPLICATION

How to Apply

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use 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 escrow account, as applicable. For further details on the Rights Entitlements and demat escrow account, see "Terms of Issue- Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders" on page 139.

Further, the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date can apply for this Issue through ASBA facility. For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, please refer to "Procedure for Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form" beginning on page 132 of this 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 applicable, 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.

Our Company, its directors, its 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.

In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account. Investors may accept this Issue and apply for the Rights Equity Shares 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. Prior to making an Application, such Investors should enable the internet banking of their respective bank accounts and such Investors should ensure that the respective bank accounts have sufficient funds. Please note that Applications made with payment using third party bank accounts are liable to be rejected.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein, (i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or (ii) the requisite internet banking.

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected. Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details, please refer to "Grounds for Technical Rejection" beginning on page 135 of this Letter of Offer. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, please refer to "Applications on Plain Paper under ASBA process" beginning on page 130 of this Letter of Offer.

ALLOTMENT OF THE EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE "TERMS OF THE ISSUE - ALLOTMENT ADVICE OR REFUND / UNBLOCKING OF ASBA ACCOUNTS" ON PAGE 151.

8. Issue Schedule

| | |
|---|---------------------------------------|
| Last Date for credit of the Rights Entitlements | On or before Wednesday, July 16, 2025 |
| Issue Opening Date | Friday, July 18, 2025 |
| Last date for On Market Renunciation of the Rights Entitlements* | Tuesday, August 12, 2025 |
| Issue Closing Date[#] | Saturday, August 16, 2025 |
| Finalisation of Basis of Allotment (on or about) | Friday, August 22, 2025 |
| Date of Allotment (on or about) | Friday, August 22, 2025 |
| Date of Credit (on or about) | Saturday, August 30, 2025 |
| Date of Listing (on or about) | Tuesday, September 02, 2025 |

**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.*

#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 thirty days from the Issue Opening Date (inclusive of the Issue Opening Date) or such other time as may be permitted as per applicable law. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

The above schedule is indicative and does not constitute any obligation on our Company.

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 Working Days prior to the Issue Closing Date, i.e., Wednesday, August 13, 2025 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., Thursday, August 14, 2025. If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such shareholders will not be allotted any Rights Equity Shares nor such Rights Equity Shares be kept in suspense account on behalf of such shareholder 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. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e., www.purvashare.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts. Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e., www.purvashare.com) by entering their DP ID and Client ID or Folio Numbers (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.jmfintechltd.com).

9. Basis of Allotment

Subject to the provisions contained in this 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 fractional 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 this 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 Rights 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 this 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 this 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.
- (f) 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 this Issue, along with:

- i. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
- ii. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- iii. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

In the event of over subscription, Allotment shall be made within the overall size of the Issue.

10. 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 T+15 days (T: Issue Closing Date). In case of failure to do so, our Company and officers in default shall pay interest at 15% p.a. or such other rate as specified under applicable law from the expiry of such 15 days' 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 email, to the email 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, 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 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.

11. Payment of Refund

Mode of making refunds

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.

12. Allotment Advice or Demat Credit of Securities

The demat credit of securities to the respective beneficiary accounts will be credited within 15 (Fifteen) 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 EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT / CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.

Investors shall be allotted the Rights Equity Shares in dematerialized (electronic) form only. Our Company has signed an agreement with NSDL and CDSL on July 25, 2017 and July 25, 2017 respectively, which enables the Investors to hold and trade in the Equity Shares issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

INVESTORS MAY PLEASE NOTE THAT THE 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 this 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 IEPF authority/ in suspense, *etc.*). Allotment Advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment Advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
7. Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

13. 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 makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or 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 otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹10 Lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 (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. In case the fraud involves (i) an amount which is less than ₹10 Lakhs or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 Lakhs or with both.

14. Utilisation of Issue Proceeds

Our Board declares that:

1. All monies received out of this Issue shall be transferred to a separate bank account;
2. Details of all monies utilized out of this Issue referred to under (1) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
3. Details of all unutilized monies out of this Issue referred to under (1) above, 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.

Undertakings by our Company

Our Company undertakes the following:

1. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchange where the Equity Shares are to be listed will be taken by our Board within seven Working Days of finalization of Basis of Allotment;
3. The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company;
4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 (Fifteen) 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;
5. In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants;
6. Adequate arrangements shall be made to collect all ASBA Applications.
7. At any given time, there shall be only one denomination for the Rights Equity Shares of our Company.
8. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

9. 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.
10. Our Company accepts full responsibility for the accuracy of information given in this Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in the Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

Important

1. Please read this Letter of Offer carefully before taking any action. The instructions contained in the Application Form, the Abridged Letter of Offer and the Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed; Otherwise the Application is liable to be rejected.
2. All enquiries in connection with this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID 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 "**JMJ Fintech Limited – Rights Issue**" on the envelope and postmarked in India or in the email) to the Registrar at the following address:

Purva Shareregistry (India) Pvt. Ltd,

9, Shivshakti Ind. Estate J R Boricha Marg,
Lower Parel (East), Mumbai, Maharashtra, 400011

Telephone: +91 022 49614132,

Email: newissue@purvashare.com

Website: www.purvashare.com,

Investor Grievance Email: newissue@purvashare.com

Contact Person: Ms. Deepali Dhuri

SEBI Registration Number: INR000001112,

CIN: U67120MH1993PTC074079

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (*i.e.* at www.purvashare.com). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties are +91 022 49614132.

This Issue will remain open for a minimum 7 (Seven) days. However, 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 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“**FDI**”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion (“**DPIIT**”)), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“**FDI Policy**”) by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. 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 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 nonresident 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.

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

RESTRICTIONS ON PURCHASES AND REALES

General Eligibility and Restrictions

No action has been taken or will be taken to permit a public offering of the Rights Entitlements or the Issue Shares in any jurisdiction, or the possession, circulation, or distribution of this Letter of Offer, its accompanying documents or any other material relating to our Company, the Rights Entitlements or the Equity Shares in any jurisdiction where action for such purpose is required, except that this Letter of Offer will be filed with SEBI and the Stock Exchange.

The Rights Entitlements and the Issue Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States.

The Rights Entitlements or the Equity Shares may not be offered or sold, directly or indirectly, and none of this Letter of Offer, its accompanying documents or any offering materials or advertisements in connection with the Rights Entitlements or the Equity Shares may be distributed or published in or from any country or jurisdiction except in accordance with the legal requirements applicable in such jurisdiction.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Equity Shares, applying for excess Equity Shares or making any offer, sale, resale, pledge or other transfer of the Rights Entitlements or the Equity Shares.

This Letter of Offer and its accompanying documents will be 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 part, for any purpose.

Each person who exercises the Rights Entitlements and subscribes for the Equity Shares, or who purchases the Rights Entitlements, or Equity Shares shall do so in accordance with the restrictions in their respective jurisdictions.

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

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, will be available for inspection on the website of the Company at www.jmjfintechltd.com from the date of the Letter of Offer until the Issue Closing Date.

A. Material contracts for inspection:

1. Registrar Agreement dated October 04, 2013 between our Company and Purva Shareregistry (India) Pvt. Ltd.
2. Banker to the Issue Agreement dated June 06, 2025 amongst our Company, the Registrar to the Issue and the Banker to the Issue.

B. Material documents for inspection:

1. Certified true copy of the Memorandum of Association and Articles of Association of our Company, as amended from time to time.
2. Certificate of Incorporation dated November 27, 1982 issued by Registrar of Companies, Coimbatore Tamil Nadu;
3. Tripartite agreement dated May 16, 2014 between our Company, CDSL and Purva Shareregistry (India) Pvt. Ltd;
4. Tripartite agreement dated October 30, 2014 between our Company, NSDL and Purva Shareregistry (India) Pvt. Ltd;
5. Resolution of the Board of Directors passed in its meeting dated January 21, 2025 approving this Issue.
6. Resolution of our Board of Directors dated February 19, 2025 approving the Letter of Offer.
7. Resolution of Rights issue committee dated June 16, 2025, finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio;
8. Consents of our Directors, our Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, the Registrar to the Issue, Bankers to our Company and Banker to the Issue to include their names in this Letter of Offer and to act in their respective capacities;
9. Consent from M/s. Mahesh C Solanki & Co, Chartered Accountants, to be named as the Statutory Auditors of the Company, to include name in this Letter of Offer, as an “expert” as defined under Section 2(38) of the Companies Act, 2013, in respect of (i) the Standalone Unaudited Financial Results of the Company for the quarter and Nine months period ended December 31, 2024, and Limited Review Report issued thereon dated February 05, 2025 (ii) the Audited Standalone Financial Statements of the Company for the year ended March 31, 2025, and Independent’s Audit Report issued thereon dated April 22, 2025; and (iii) the statement of special tax benefits dated January 24, 2025.
10. Annual Reports of our Company for FY 2023-24, 2022-23, 2021-22, 2020-21 and 2019-20;
11. The report of M/s. Mahesh C Solanki & Co., Chartered Accountants, dated May 23, 2024 on the Audited Standalone Financial Statements included in the Letter of Offer.
12. The report of M/s. Mahesh C Solanki & Co., Chartered Accountants, dated October 30, 2024 on the Unaudited Standalone Financial Results of our Company included in the Letter of Offer.
13. A Statement of special tax benefits dated January 24, 2025 received from M/s. Mahesh C

Solanki & Co, Chartered Accountants, Statutory Auditors regarding special tax benefits available to our Company and its shareholders;

14. Audited standalone financial statements for the FY 2023-24 and FY 2024-25;

15. In-principle approval dated letter issued by BSE Limited dated April 30, 2025;

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

**Joju Madathumpady Johny
Managing Director**

Date: July 12, 2025

Place: Thrissur

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Johny Madathumpady Lonappan

Executive Director

Date: July 12, 2025

Place: Thrissur

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

**Sd/-
Sivadas Chettoor**

Non-Executive - Independent Director

Date: July 12, 2025

Place: Palakkad

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Julie George Varghese

Non-Executive - Independent Director

Date: July 12, 2025

Place: Kollam

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Velayudhanpillai Harikumar

Non-Executive – Independent Director

Date: July 12, 2025

Place: Chennai

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Justin Thomas O
Chief Financial Officer

Date: July 12, 2025

Place: Thrissur