



(Please scan this QR Code to view the RHP)

This is an abridged prospectus containing salient features of the Red Herring Prospectus of SBFC Finance Limited dated July 26, 2023 filed with the Registrar of Companies, Maharashtra at Mumbai (the “RHP” or “Red Herring Prospectus”). You are encouraged to read greater details available in the RHP, which is available at <https://www.sebi.gov.in/sebiweb/home/HomeAction.do?doListing=yes&sid=3&ssid=15&smid=11>. Unless otherwise specified all capitalised terms used herein and not specifically defined bear the same meaning as ascribed to them in the RHP.

THIS ABRIDGED PROSPECTUS CONSISTS OF FOUR PAGES OF BID CUM APPLICATION FORM ALONG WITH INSTRUCTIONS AND EIGHT PAGES OF ABRIDGED PROSPECTUS. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

Please ensure that you have read the RHP, this abridged prospectus (“Abridged Prospectus”) and the general information document for investing in public issues (“GID”) undertaken through the Book Building Process before applying in the Offer (as defined below). The investors are advised to retain a copy of the RHP/Abridged Prospectus for their future reference. You may obtain a physical copy of the Bid-cum-Application Form and the RHP from the Stock Exchanges, Syndicate Member, Registrar to the Offer, Registrar and Share Transfer Agents (“RTAs”), Collecting Depository Participants (“CDPs”), Registered Brokers, Banker to the Offer, Investors’ Associations or Self Certified Syndicate Banks (“SCSBs”). You may also download the RHP from the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in, the websites of National Stock Exchange of India Limited (“NSE”) and BSE Limited (“BSE”, and together with NSE, the “Stock Exchanges”) at www.nseindia.com and www.bseindia.com, respectively, the website of the Company at www.sbfc.com and the website of the Book Running Lead Managers at www.icicisecurities.com, www.axiscapital.co.in and <https://investmentbank.kotak.com>.



SBFC FINANCE LIMITED

Corporate Identity Number: U67190MH2008PLC178270; Date of incorporation: January 25, 2008

Registered and Corporate Office	Contact Person	Email and Telephone	Website
103, 1st Floor, C&B Square, Sangam Complex, Andheri Kurla Road, Village Chakala, Andheri (East), Mumbai 400 059, Maharashtra, India	Jay Mistry, Company Secretary and Compliance Officer	Email: complianceofficer@sbfc.com Telephone: +91 22 67875344	www.sbfc.com

PROMOTERS OF OUR COMPANY: SBFC HOLDINGS PTE. LTD., CLERMONT FINANCIAL PTE. LTD., ARPWOOD PARTNERS INVESTMENT ADVISORS LLP, ARPWOOD CAPITAL PRIVATE LIMITED AND EIGHT45 SERVICES LLP

Details of Offer to Public

Type of Offer	Fresh Issue Size	Offer for Sale size	Total Offer Size	Eligibility and Reservations	Share Reservation among QIBs, NIIs, RIIs and Eligible Employees			
					QIBs	NIIs	RIIs	Eligible Employees
Fresh Issue and Offer for Sale	[•] Equity Shares aggregating up to ₹6,000 million*	[•] Equity Shares aggregating up to ₹ 4,250 million	Up to ₹ 10,250 million	The Offer is being made through the Book Building Process, pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”). For details of share reservation among QIBs, NIIs, RIIs and Eligible Employees see “Offer Structure” on page 464 of the RHP.	Not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs	Not less than 15% of the Net Offer shall be available for allocation to NIIs	Not less than 35% of the Net Offer shall be available for allocation to RIIs	Aggregating upto ₹ 102.50 million, which, the Employee Reservation Portion shall not exceed 5% of the post-Offer paid-up Equity Share capital of our Company

*Our Company, in consultation with the Promoter Selling Shareholders and the Book Running Lead Managers, has undertaken a private placement of 27,272,727 equity shares for cash consideration aggregating up to ₹ 1,500 million (the “Pre-IPO Placement”). The size of the fresh issue has been reduced by ₹ 1,500 million and accordingly, the size of the Fresh Issue is up to ₹ 6,000 million.

The Equity Shares are proposed to be listed on National Stock Exchange of India Limited (Designated Stock Exchange) and BSE Limited.

PRICE BAND, MINIMUM BID LOT & INDICATIVE TIMELINES	
Price Band*	₹ [•] per Equity Share to ₹ [•] per Equity Share of face value of ₹ 10 each.
Minimum Bid Lot Size	[•] Equity Shares
Bid/Offer Opens On	Thursday, August 3, 2023 ⁽¹⁾
Bid/ Offer Closes On	Monday, August 7, 2023 ⁽²⁾
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Thursday, August 10, 2023
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	On or about Friday, August 11, 2023
Credit of Equity Shares to demat accounts of Allottees	On or about Monday, August 14, 2023
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Wednesday, August 16, 2023

* For details of price band and basis of issue price, please refer to price band advertisement and page 114 of RHP, respectively

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

⁽²⁾ Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs may, consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations

⁽³⁾ UPI mandate end time and date shall be at 5:00 pm on Bid/Offer Closing Date.

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

Disclaimer: The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States (a) only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in the Red Herring Prospectus as “U.S. QIBs”), (b) QPs, as defined in Section 2(a)(51) of the U.S. Investment Company Act (persons who are both a U.S. QIB and a QP are referred to as “Entitled QPs”); in transactions exempt from the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. For the avoidance of doubt, the term “U.S. QIBs” does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in the Red Herring Prospectus as “QIBs”.

Weighted average cost of all Equity Shares transacted in the three years, 18 months and one year preceding the date of the Red Herring Prospectus

Period	Weighted average cost of acquisition per Equity Share (in ₹)*	Cap Price is ‘x’ times the weighted average cost of acquisition [^]	Range of acquisition price per Equity Share: lowest price –highest price (in ₹)*
Last one year preceding the date of the Red Herring Prospectus	43.53	•	12.50 to 60.00
Last 18 months preceding the date of the Red Herring Prospectus	41.99	•	12.50 to 60.00
Last three years preceding the date of the Red Herring Prospectus	40.50	•	12.50 to 60.00

* As certified by our Statutory Auditors by way of their certificate dated July 26, 2023.

[^] To be updated in the Prospectus.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of Equity Shares of the Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 per Equity Share. The Floor Price, the Cap Price and the Offer Price (as determined by our Company and the Promoter Selling Shareholders in consultation with the BRLMs), in accordance with the SEBI ICDR Regulations, and as stated in “Basis for Offer Price” on page 114 of the RHP, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 26 of the RHP and on page 9 of this Abridged Prospectus.

PROCEDURE

You may obtain a physical copy of the Bid-cum-Application Form and the RHP from the Stock Exchanges, Syndicate Members, Registrar to the Offer, Registrar and Share Transfer Agents (“RTAs”), Collecting Depository Participants (“CDPs”), Registered Brokers, Bankers to the Offer, Investors’ Associations or Self Certified Syndicate Banks (“SCSBs”).

If you wish to know about processes and procedures applicable to the Offer, you may request for a copy of the RHP and/or the General Information Document (GID) from the BRLMs or download it from the websites of SEBI at www.sebi.com, NSE and BSE at www.nseindia.com and www.bseindia.com, respectively, and from the website of the BRLMs at www.icicisecurities.com, www.axiscapital.co.in and <https://investmentbank.kotak.com>.

PRICE INFORMATION OF BRLMs

Sr. No.	Issue Name	Merchant Banker(s)	+/- % change in closing price, +/- % change in closing benchmark		
			- 30 th calendar days from listing	90 th calendar days from listing	180 th calendar days from listing
1	Utkarsh Small Finance Bank Limited	I-Sec, Kotak	NA	NA	NA
2	KFIN Technologies Limited	I-Sec, Kotak	-13.55%, [-3.22%]	-24.56%, [-6.81%]	-4.48%, [+2.75%]
3	Landmark Cars Limited	I-Sec, Axis	+22.83%, [+1.30%]	+1.16%, [-2.72%]	+35.06%, [+5.82%]
4	Archean Chemical Industries Limited	I-Sec	+25.42%, [+1.24%]	+56.87%, [-1.19%]	+32.68%, [+0.24%]
5	Five Star Business Finance Limited	I-Sec, Kotak	+29.72%, [+1.24%]	+19.20%, [-1.19%]	+11.72%, [+0.24%]
6	Fusion Micro Finance Limited	I-Sec	+9.86%, [+1.40%]	+12.84%, [-2.97%]	+25.52%, [-0.48%]
7	Syrma SGS Technology Limited	I-Sec	+31.11%, [-1.25%]	+29.20%, [+4.55%]	+20.66%, [+3.13%]
8	Cyient DLM Limited	Axis	NA	NA	NA
9	Mankind Pharma Limited	Axis, Kotak	+37.61%, [+2.52%]	NA	NA
10	Elin Electronics Limited	Axis	-15.55%, [-2.48%]	-52.06%, [-4.73%]	-29.35%, [+4.23%]
11	Uniparts India Limited	Axis	-5.11%, [-3.24%]	-7.38%, [-4.82%]	-0.60%, [+0.80%]
12	Keystone Realtors Limited	Axis	-12.26%, [-3.90%]	-9.70%, [-2.57%]	-8.64%, [-0.50%]
13	Bikaji Foods International Limited	Axis, Kotak	+28.65%, [-0.29%]	+26.95%, [-2.50%]	+24.17%, [+0.08%]
14	Sula Vineyards Limited	Kotak	+18.59%, [-0.55%]	-4.87%, [-5.63%]	+27.87%, [+3.46%]
15	Global Health Limited	Kotak	+33.23%, [+0.03%]	+35.94%, [-3.47%]	+61.67%, [-0.52%]

Source: www.nseindia.com; www.bseindia.com

Notes:

- Disclosures subject to recent 7 issues (initial public offerings) in current financial year and two preceding financial years managed by each BRLMs with common issues disclosed once.
- Benchmark Index taken as NIFTY 50 or S&P BSE SENSEX, as applicable.

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

3. Price on NSE or BSE is considered for all of the above calculations as per the Designated Stock Exchange disclosed by the respective issuer at the time of the issue, as applicable.
4. In case 30th/90th/180th day is not a trading day, closing price of the previous trading day has been considered.
5. Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.
6. NA means Not Applicable - period not completed.

For further details, please refer to "Other Regulatory and Statutory Disclosures - Price information of past issues handled by the BRLMs" on page 451 of the RHP.

BOOK RUNNING LEAD MANAGERS

ICICI Securities Limited Tel: +91 22 6807 7100 E-mail: sbfc.ipo@icicisecurities.com Investor Grievance E-mail: customercare@icicisecurities.com	Axis Capital Limited Tel: +91 22 4325 2183 E-mail: sbfc.ipo@axiscap.in Investor Grievance E-mail: complaints@axiscap.in	Kotak Mahindra Capital Company Limited Tel: +91 22 4336 0000 E-mail: sbfcfinance.ipo@kotak.com Investor Grievance E-mail: kmccredressal@kotak.com
Name of Syndicate Member	Kotak Securities Limited Tel: +91 22 6218 5410, Email: umesh.gupta@kotak.com	
Name of Registrar to the Offer	KFin Technologies Limited Tel: +91 40 6716 2222 / 7961 1000; E-mail: Sbfc.ipo@kfintech.com Investor grievance E-mail: einward.ris@kfintech.com	
Name of Statutory Auditor	M/s Suresh Surana & Associates LLP, Chartered Accountants	
Name of Credit Rating Agency and the rating or grading obtained, if any	No credit rating agency registered with SEBI has been appointed for grading of the Offer.	
Name of Debenture Trustee	Not applicable	
Self-Certified Syndicate Banks	The list of recognized intermediaries notified by SEBI is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes , or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSBs with which an ASBA Bidder (other than a UPI Bidder using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, CRTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 , as updated from time to time or at such other websites as may be prescribed by SEBI from time to time.	
Registered Brokers	Bidders can submit ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com and https://www.nseindia.com , as updated from time to time. For further details, see "Offer Procedure" at page 468 of the RHP.	
SCSBs and mobile applications enabled for UPI Mechanism	In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs mobile applications (apps) whose names appear on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 respectively, as updated from time to time.	
Details regarding website address(es)/ link(s) from which the investor can obtain a list of RTAs, CDPs and stock brokers who can accept applications from investors, as applicable	The list of the CRTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm , respectively, as updated from time to time. The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm , respectively, as updated from time to time. For further details, see "Offer Procedure" at page 468 of the RHP.	

PROMOTER OF OUR COMPANY

Sr. No.	Name	Individual/ Corporate/HUF	Details of the Promoter
1	SBFC HOLDINGS PTE. LTD.,	Corporate	SBFC Holdings Pte. Ltd. was incorporated on July 27, 2017 under the laws of Singapore. Its Unique Entity Number (UEN) is 201721219C and its PAN is ABBCS7833C. The registered office of SBFC Holdings Pte. Ltd. is at 80 Raffles Place, #46-01, UOB Plaza, Singapore 048624. SBFC Holdings Pte. Ltd. is primarily engaged in the business of investment holding.
2	CLERMONT FINANCIAL PTE. LTD.,	Corporate	Clermont Financial Pte. Ltd. was incorporated on August 14, 2017 under the laws of Singapore. Its Unique Entity Number (UEN) is 201723035G and it does not have a permanent account number. The registered office of Clermont Financial Pte. Ltd. is 80 Raffles Place, #46-01, UOB Plaza, Singapore 048624. Clermont Financial Pte. Ltd. is primarily engaged in the business of investment holding.

PROMOTER OF OUR COMPANY

Sr. No.	Name	Individual/Corporate/HUF	Details of the Promoter
3	ARWOOD PARTNERS INVESTMENT ADVISORS LLP	Corporate	Arpwood Partners Investment Advisors LLP was incorporated as a limited liability partnership on March 5, 2015 under the Limited Liability Partnership Act, 2008. Its LLP identification number is AAD-4983 and its PAN is ABBFA8976H. The registered office of Arpwood Partners Investment Advisors LLP is 51B, Floor 5, Plot 222, Maker Chamber IV, Jammalal Bajaj Marg, Nariman Point, Mumbai – 400021, Maharashtra, India. Arpwood Partners Investment Advisors LLP is primarily engaged in the business of being an Investment Adviser.
4	ARWOOD CAPITAL PRIVATE LIMITED	Corporate	Arpwood Capital Private Limited was incorporated as a private limited company on March 25, 2013 under the Companies Act, 1956. Its CIN is U65100MH2013PTC241310 and its PAN is AALCA5389E. The registered office of Arpwood Capital Private Limited is 51B, Floor 5, Plot 222, Maker Chamber IV, Jammalal Bajaj Marg, Nariman Point, Mumbai – 400021, Maharashtra, India. Arpwood Capital Private Limited is primarily engaged in the business of being a mergers and acquisitions advisor.
5	EIGHT45 SERVICES LLP	Corporate	Eight45 Services LLP was incorporated as a limited liability partnership on April 18, 2018 under the Limited Liability Partnership Act, 2008. Its LLP identification number is AAM-4498 and its PAN is AAHFE0666P. The registered office of Eight45 Services LLP is 51B, Floor 5, Plot 222, Maker Chamber IV, Jammalal Bajaj Marg, Nariman Point, Mumbai – 400021, Maharashtra, India. Eight45 Services LLP is primarily engaged in the business of management consultants and advisors in all forms and aspects of trade and industry.

For details in respect of the Promoters, please see the section entitled “Promoters and Promoter Group” beginning on page 264 of the RHP.

OUR BUSINESS OVERVIEW AND STRATEGY

Company Overview: We are a systemically important, non-deposit taking non-banking finance company offering Secured MSME Loans and Loans against Gold, with a majority of our borrowers being entrepreneurs, small business owners, self-employed individuals, salaried and working class individuals. Among MSME-focused NBFCs in India, we have one of the highest assets under management (“AUM”) growth, at a CAGR of 44% in the period from Fiscal 2019 to Fiscal 2023. (Source: CRISIL Report, page 189 of the RHP) We have also witnessed healthy disbursement growth, at a CAGR of 40% between Fiscal 2021 and Fiscal 2023.

Revenue segmentation by product/ service offering:

Product/ Service Offerings: The Company offers Secured MSME Loans and Loans against Gold. In the past, it also offered other unsecured loans comprising (i) personal loans, (ii) business and professional loans. The Company has discontinued disbursal of other unsecured loans from September 2022.

The table below sets forth the contribution of each of the Company’s product categories in terms of AUM and as a percentage of total AUM and yield for each of the corresponding periods:

	As of March 31,					
	2021		2022		2023	
	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)
Secured MSME Loans	14,422.75	64.93%	23,262.70	72.87%	39,200.03	79.31%
Loans against Gold	5,600.50	25.21%	6,395.64	20.04%	8,641.02	17.48%
Others*	2,189.98	9.86%	2,263.47	7.09%	1,587.18	3.21%
Total	22,213.23	100.00%	31,921.81	100.00%	49,428.23	100.00%

*Others include unsecured loans. This also includes discontinued business AUM of ₹ 3.49 million and ₹ 2.28 million as of March 31, 2021 and March 31, 2022, respectively.

For further information, see “Our Business – Business Operations” on page 209 of the RHP.

Key financial and operational metrics:

The key financial and operational metrics disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals segments in comparison to our peers. The Bidders can refer to the below-mentioned key financial and operational metrics, being a combination of financial and operational key financial and operational metrics, to make an assessment of our Company’s performance in various business verticals and make an informed decision. The following table sets forth certain key financial and operational metrics for our Company as at/for the periods indicated:

(₹ in million, except per share and %)

Particulars	As of and for Fiscal		
	2023	2022	2021
Scale			
AUM	49,428.23	31,921.81	22,213.23
AUM Growth (%)	54.84%	43.71%	34.77%
Product wise disbursement			
Secured MSME	22,768.20	13,328.28	5,955.21
Loan against Gold	13,233.64	11,270.03	8,300.43
Others	310.72	1,110.51	768.96
Capital			
Tangible Net Worth	14,668.76	10,267.75	9,447.16
Capital Adequacy Ratio (%)	31.90%	26.21%	26.25%
Total Borrowings to Tangible Equity ratio	2.55	2.87	2.93
Profitability			
Total Income	7,403.61	5,307.02	5,115.33
Net interest income	3,789.38	2,542.41	2,269.03
Fee and other income	862.09	575.55	483.67
Profit After Tax	1497.36	645.21	850.1
Yield on Average Gross Loan Book	15.91%	14.89%	15.09%
Spread	7.69%	7.23%	6.98%
Return Ratio			
Net Income to Average AUM	11.44%	11.52%	14.23%
Net Interest Margin	9.32%	9.39%	11.73%
Operating Expenses to Average AUM	5.70%	6.59%	6.59%
Credit cost to Average AUM	0.79%	1.73%	1.74%
PAT to Average AUM	3.68%	2.38%	4.39%
RoA (%)	2.92%	1.48%	2.01%
Return on Total Tangible Assets (%)	3.07%	1.57%	2.15%
Return on Tangible Equity (%)	12.01%	6.55%	10.02%
NPA			
Gross NPA (%)	2.43%	2.74%	3.16%
Net NPA (%)	1.41%	1.63%	1.95%
Provision Coverage Ratio (%)	42.04%	40.44%	38.25%
Earning per share			
Basic	1.71	0.81	1.09
Diluted	1.62	0.79	1.06
No. of States & UTs	18	18	18
No. of branches	152	135	124
Credit ratings			
ICRA	[ICRA]A+(Stable)	[ICRA]A(positive)	[ICRA]A(Stable)
India Ratings	Ind A+/ Stable	Ind A+/ Stable	Ind A/ Stable

For details of our KPIs disclosed, see “Basis for Offer Price” on page 114 of the RHP.

Geographies Served: The Company’s business operations are concentrated in India, hence it is considered to operate in domestic segment only.

Client Profile: Not applicable.

Industries Served: Non-banking financial company. For details, see “Industry Overview” on page 129 of the RHP.

Intellectual Property: The Company has registered three trademarks in India under class 36, including in respect of financial services for its logo. For further information, see “Government and Other Approvals” on page 430 of the RHP. Also see, “Risk Factors – We may be unable to adequately protect our intellectual property and may be subject to risks of infringement claims” on page 52 of the RHP.

Market Share: The Company is a systemically important, non-deposit taking non-banking finance company with one of the highest assets under management growth, at a CAGR of 44% in the period from Fiscal 2019 to Fiscal 2023. (Source: CRISIL Report, page 189 of the RHP)

Manufacturing plant, if any: Not applicable

Employee Strength: As of March 31, 2023, the Company had 2,822 full-time employees. For further information, see “Our Business – Human Resources” on page 224 of the RHP.

BOARD OF DIRECTORS				
Sr. No.	Name	Designation	Experience & Educational Qualification	Directorships in other companies
1	Neeraj Swaroop	Independent Director and Chairperson	He holds a bachelor's of technology degree in mechanical engineering from Indian Institute of Technology, Delhi and a post graduate diploma in management from Indian Institute of Management, Ahmedabad. He has been associated with our Company since November 21, 2017. Prior to joining our Company, he was associated with Pond's (India) Limited, Bank of America, HDFC Bank Limited, Standard Chartered Bank and Singapore Exchange Limited and he is currently a visiting faculty at S.P. Jain Institute of Management & Research, Mumbai.	Indian Companies <ul style="list-style-type: none"> • Avanse Financial Services Limited • HDFC Securities Limited • Spandana Sphoorty Financial Limited Foreign Companies : Nil
2	Aseem Dhru	Managing Director and Chief Executive Officer	He holds a bachelor's degree in commerce from Gujarat University. He is a member of the Institute of Chartered Accountants of India and has been certified by the Institute of Cost and Works Accountants of India. He has over 25 years of experience in the banking industry and has been associated with our Company since September 28, 2017. Prior to joining our Company, he was associated with HDFC Bank Limited as a group head – business banking working capital & retail agri business, HDFC Securities Limited as managing director and chief executive officer and was a director on the board of HDB Financial Services Limited.	Indian Companies <ul style="list-style-type: none"> • SBFC Home Finance Private Limited • Rossari Biotech Limited Foreign Company : Nil
3	Amol Jain	Non-Executive Nominee Director*	He holds a bachelor's of technology degree in electrical engineering from Indian Institute of Technology, Bombay and a post graduate diploma in management from Indian Institute of Management, Ahmedabad. He has been associated with our Company since May 9, 2017. He is part of the senior leadership team at Arpwood Partners Fund I LLP as its co-founder. Prior to co-founding Arpwood Partners Fund I LLP in 2015, Amol was associated with TPG Capital India Private Limited and was part of DSP Merrill Lynch from 1999 to 2005. He has also been a director on the board of Shriram Equipment Finance Limited, Shriram Holdings Madras Private Limited and TPG Wholesale Private Limited (now renamed as Vishal Mega Mart Private Limited).	Indian Companies <ul style="list-style-type: none"> • SBFC Home Finance Private Limited • Sterling Addlife India Private Limited • Arcturos Healthcare Private Limited Foreign Company : Nil
4	Arjun Sakhuja	Non-Executive Nominee Director**	He holds a bachelor's of science degree in economics from the University of Warwick and a master's degree in business administration from the London Business School. He has been associated with our Company since February 5, 2020. Prior to joining the Clermont Group, he was associated with Citigroup Global Markets Limited and Boston Consulting Group International Inc. (BCG) as project leader.	Indian Companies : Nil Foreign Company : <ul style="list-style-type: none"> • Orion Energy Pte. Ltd.
5	John Mescall	Non-Executive Nominee Director**	He holds a bachelor's degree in law and accounting from the University of Limerick, Ireland. He has been associated with our Company since May 29, 2019. Prior to joining the Clermont Group, he was associated with Ernst and Young, Ireland as a manager in the assurance department of its financial services group.	Indian Companies : Nil Foreign Company : <ul style="list-style-type: none"> • Clermont Financial Pte. Ltd. • SBFC Holdings Pte. Ltd. • Clermont Asia Pte. Ltd • Clermont Limited • Clermont Capital Limited • Tamarind Capital Pte. Ltd. • Indie Holdings Pte. Ltd • Eviation Aircraft Limited
6	Jonathan Tadeusz Tatur	Non-Executive Nominee Director**	He holds a bachelors of arts degree from St. John's College in the University of Cambridge and a master's of philosophy degree in economics from Brasenose College in the University of Oxford. He has been associated with our Company since December 17, 2019.	Indian Companies <ul style="list-style-type: none"> • Arcturos Healthcare Private Limited; • Sterling Addlife India Private Limited Foreign Company : <ul style="list-style-type: none"> • Sustainable Samui Co. Ltd. • Chalten International Limited
7	Rajesh Mannalal Agrawal	Independent Director	He holds a bachelor's degree in business studies from the University of Buckingham, UK and a master's degree in business administration from Bentley College, USA. He has been associated with our Company since November 11, 2020. He is currently associated with Ajanta Pharma Limited as joint managing director.	Indian Companies <ul style="list-style-type: none"> • Gabs Investments Private Limited • Ajanta Pharma Limited Foreign Company : <ul style="list-style-type: none"> • Ajanta Pharma Philippines Inc.
8	Surekha Marandi	Independent Director	She has been associated with our Company as a Board member since September 23, 2022. Prior to joining our Company, she has served at the Reserve Bank of India for over three decades in the regulatory and supervisory, financial inclusion and development and human resource management areas. She was also appointed as an executive director of the RBI, where she supervised the consumer education and protection department, financial inclusion and development department. She has also served on the boards of United Bank of India and Bank of Baroda.	Indian Companies <ul style="list-style-type: none"> • Origo Commodities India Private Limited • Satya Microcapital Limited Foreign Company : Nil

* Nominee of Arpwood Group

**Nominee of SBFC Holdings Pte. Ltd.

For further details in relation to our Board of Directors, see "Our Management" beginning on page 247 of the RHP.

OBJECTS OF THE OFFER

Augmenting the capital base of our Company

As an NBFC, registered with the RBI, offering Secured MSME Loans and Loans against Gold, we are subject to regulations relating to capital adequacy, which determine the minimum amount of capital we must hold as a percentage of the risk-weighted assets on our balance sheet and of the risk adjusted value of off-balance sheet items, as applicable. As per the capital adequacy norms issued by the RBI, we are required to have a regulatory minimum Capital to Risk Weighted Assets Ratio (“CRAR”) of 15% consisting of Tier I and Tier II capital. Additionally, we are required to maintain a Tier I capital of 10% at all times.

As of March 31, 2023 our Company’s CRAR was ₹ 14,135.76 million (equivalent to 31.90%) of which the Tier I capital was ₹ 14,049.52 million (equivalent to 31.71%) and our Tier II capital was ₹ 86.24 million (equivalent to 0.19%). We anticipate that the Net Proceeds will be sufficient to satisfy our Company’s Tier- I capital requirements.

The object of the Offer is to augment the capital base of our Company. Accordingly, we intend to utilise the Net Proceeds to meet our future capital requirements, which are expected to arise out of growth of our business and assets, including but not limited to, onward lending under our Company’s lending verticals viz., MSME loans, loans against gold ensuring compliance with applicable regulatory requirements, payments of operating expenditure and funding growth opportunities for above mentioned verticals. For further details, see “Key Regulations and Policies” beginning on page 226 and “Risk Factors – We are subject to laws and regulations governing the financial services industry and our operations in India, including laws in relation to capital adequacy ratios. Changes in regulations governing us could adversely affect our business, results of operations and prospects” on page 34 of the RHP.”

For details, see “Objects of the Offer- Offer related expenses” on page 110 of the RHP.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilisation of issue proceeds of past public offers / rights issues, if any, of our Company in the preceding 10 years: Not Applicable.

Terms of Issuance of Convertible Security, if any: Not Applicable.

Name of Monitoring Agency: ICRA Limited. For further details, please see sections titled "General Information" and "Objects of the Offer - Monitoring Utilisation of Funds" on pages 77 and 112 of the RHP.

Shareholding Pattern as on the date of the RHP:

Category of shareholder	Pre-Offer number of shares (Number of fully paid up Equity Shares held)	% Holding of Pre-Offer (Shareholding as a % of total number of shares)
Promoters and Promoter Group	771,707,101	80.48%
Public	182,450,805	19.03%
Non Promoter- Non Public	4,751,000	0.50%
Total	958,908,906	100.00%

RESTATED SUMMARY STATEMENT

Summary of Selected Financial Information

The summary of the selected financial information of the Company as per the Restated Financial Information is set forth below:

(in ₹ million, other than share data)

Particulars	As of / for the year ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Equity share capital	8,895.72	8,068.00	7,966.74
Tangible Net Worth	14,668.76	10,267.75	9,447.16
Total income	7,403.61	5,307.02	5,115.33
Restated Profit/(loss) after tax	1,497.36	645.21	850.10
EPS (basic) (₹)	1.71	0.81	1.09
EPS (diluted) (₹)	1.62	0.79	1.06
NAV per equity share (₹)	19.26	15.42	14.66
Total borrowings	37,458.33	29,488.18	27,725.52

For further details, see “Summary of Offer Document” beginning on page 20 of the RHP.

INTERNAL RISK FACTORS

Below mentioned risks are the top 5 risk factors as per the RHP:

1. The risk of non-payment or default by our borrowers may adversely affect our business, results of operations and financial condition.
2. We depend on the accuracy and completeness of information provided by our customers and certain third party service providers and our reliance on any erroneous or misleading information may affect our judgement of their creditworthiness, as well as the value of and title to the collateral.
3. 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.
4. Our inability to assess and recover the full value of collateral, or amounts outstanding under defaulted loans in a timely manner, or at all, could adversely affect our business, results of operations and financial condition.
5. We require substantial capital for our business and any disruption in our sources of capital could have an adverse effect on our business, results of operations and financial condition.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Summary table of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, our Subsidiary, the Promoters and the Directors, such proceedings which have material impact on our Company, as on the date of this Red Herring Prospectus, is set forth below:

Name of the Entity	Criminal Proceedings	Tax Proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or stock exchanges against our Promoters	Material civil litigation	Aggregate amount involved* (₹ in million)
Company						
By the Company	3,829	1	Nil	N.A.	1 [#]	1,502.95 [#]
Against the Company	8	Nil	Nil	N.A.	Nil	33.10
Directors						
By the Directors	Nil	Nil	Nil	N.A.	Nil	Nil
Against the Directors	Nil	Nil	Nil	N.A.	Nil	Nil
Promoters						
By the Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Subsidiary						
By the Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
Against the Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil

* To the extent quantifiable.

[#] The amount involved includes ₹ 22.93 million in relation to the matter involving Solmec Earthmovers Pvt. Ltd, which has been recovered by us from them and there is nothing due from them as on date. The matter is currently pending.

For further details, please see the section titled "Outstanding Litigation and Material Development" on page 418 of the RHP.

B. Brief details of top 5 material outstanding litigation / legal proceedings initiated against the Company and amount involved:

Sr. No.	Particulars	Litigation filed by	Current Status	Amount involved*
1.	Pramod Pawar filed an FIR on September 6, 2021 against Dependra Gosh, manager at the Company's branch located at City Plaza Building before the Bhaktinagar Police Station, Siliguri. Pramod Pawar allegedly claimed that he had won the bid for 58 packets of gold for ₹ 6.25 million. However, at the time of delivery he was only given 56 packets of gold and asked to pay an additional ₹ 0.18 million. The matter is currently pending.	Pramod Pawar	Pending	₹ 50,000
2.	Pappama filed an FIR on February 10, 2022 against Gawtham and Shivu, employees of the Company at the Hulimavu branch before the Hulimavu Police Station on behalf of her deceased son Kantaraju, who died by suicide. Pappama alleged that Gawtham and Shivu had been harassing Kantaraju to repay the loan amount. The matter is currently pending.	Pappama	Pending	NA
3.	Pramod Kumar filed an FIR on March 1, 2022 against Prabhat, Saurabh, Suresh and Nitin, employees of the Company at the Sikandara branch before Sikandara Police Station, Agra. Pramod Kumar obtained a loan worth ₹ 54,000 and mortgaged 21.56 gms of gold against the loan. Pramod Kumar alleged cheating, criminal conspiracy, criminal breach of trust and intentional insult against the abovementioned employees of the Company. The matter is currently pending.	Pramod Kumar	Pending	₹ 54,000
4.	Shubhankar Das filed an FIR on October 29, 2021 before the Bhaktinagar police station, against Debendra Gosh and Pampa Chaudhary, employees at the Company's branch located at Bhaktinagar, Siliguri. He alleged cheating by the branch officers for closing his loan account without notice. The matter is currently pending.	Shubhankar Das	Pending	NA
5.	Mikki Singh Ranhotra filed an FIR on October 4, 2021 against Gaurav Jain, an employee of the Company at the Prince Chowk Branch before the Dehradun Police Station. The complainant alleged cheating, criminal conspiracy and criminal breach of trust for not releasing gold packets worth ₹ 3.30 crore belonging to the complainant. The matter is currently pending.	Mikki Singh Ranhotra	Pending	₹ 33,000,000

*To the extent quantifiable

C. Disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any:

None.

D. Brief details of outstanding criminal proceedings against the Promoters: None.

For further details of the outstanding litigation proceedings, see "Outstanding Litigation and Material Developments" on page 418 of the RHP.

ANY OTHER IMPORTANT INFORMATION AS PER BRLMs/COMPANY – Nil

DECLARATION BY OUR COMPANY

We hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with, and no statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA and the SEBI Act, each as amended, or the rules, regulations or guidelines notified thereunder, as the case may be. We further certify that all the statements made in the Red Herring Prospectus are true and correct.