Asset Reconstruction Company (India) Limited

September 03, 2026

Business Overview

- Incorporated on February 11, 2002, Asset Reconstruction Company (India) Limited is an asset reconstruction company ("ARC") operating across India and are engaged in the business of acquiring stressed assets from banks and financial institutions and implementing resolution strategies through restructuring, enforcement of rights on underlying securities and settlement aimed at maximizing recovery and optimizing the value of such stressed assets in order to generate revenue streams.
- They are pioneers in the asset reconstruction industry since they were the first ARC to be incorporated in India having obtained their certificate of registration to commence their operations on August 29, 2003 from the Reserve Bank of India ("RBI") pursuant to the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act").
- The Company operates across three business verticals - Corporate loans, SME and Other loans and Retail loans and classify the stressed assets that they acquire based on the resolution mechanism they employ which are subject to their internal assessments.
- The Company bids for stressed assets and deploy a mix of resolution and collection strategies, based on the nature of the underlying loan portfolio or the single credit stressed asset.
- As of March 31, 2026, the Company had acquired ₹899,093.41 million in total principal debt at a cost of ₹441,144.32 million or 49.07% of the total principal debt and had made recoveries of ₹319,147,75 million.

The Company has an established track record of over two decades in the asset reconstruction industry in India:

- The first ARC to be incorporated in India having obtained their certificate of registration to commence their operations on August 29, 2003 from the RBI and completed their first acquisition of stressed assets in December 2003;
- The second largest ARC in India in terms of AUM, as of March 31, 2024, with an AUM of ₹168,525.70 million, as of March 31, 2025.
- The second most profitable private ARC in India during Fiscal 2025 with a profit after tax of ₹3,553.19 million on a standalone basis during Fiscal 2025.
- The second largest net worth among private ARCs in India as of March 31, 2025 with a net worth of ₹27,677.98 million on a standalone basis, as of March 31, 2025.
- Recorded the lowest expenses on a standalone basis in Fiscal 2025 as a percentage of average total AUM as of March 31, 2025 among the top 7 ARCs in India (in terms of AUM as of March 31, 2025), with expenses on a standalone basis as a percentage of Average AUM of 0.68%.
- The highest profit after tax on a standalone basis in Fiscal 2025 as a percentage of average total AUM as of March 31, 2025 among the top 7 ARCs in India with vintage, (in terms of AUM, as of March 31, 2025), with a profit after tax on a standalone basis as a percentage of Average AUM of 2.22%.
- The second highest capital adequacy ratio, among the top 7 ARCs in India (in terms of AUM as of March 31, 2025), with a capital adequacy ratio of 88.41% as of March 31, 2025.
- The highest return on assets on a standalone basis amongst the top 7 ARCs in India (in terms of AUM as of March 31, 2025) in Fiscal 2025, with a return on assets on a standalone basis of 11.73% in Fiscal 2025.
- The lowest debt to equity ratio on a standalone basis amongst top 6 private ARCs in India (in terms of AUM, as of March 31, 2025), as of March 31, 2025, with a debt to equity ratio on a standalone basis of 0.11 as of March 31, 2025.

Issue Details

Offer for Sale of up to 52,731,946 Equity Shares aggregating up to ₹[●] Crore

Total Issue size: ₹696 – 733 Cr
Total No of Shares: 52,731,946
Face value: ₹10/-

Price band: ₹132 – 139
Bid Lot: 107 shares and in multiples thereon

Post Issue Implied Market Cap:*
₹4,289 – 4,516 Cr

BRLMs: JM Financial Limited, IIFL Capital Services Limited, IDBI Capital Markets & Securities Limited
Registrar: MUFG Intime India Private Limited

Indicative Timetable

Activity	On or about
Anchor Investor	08-09-2026
Issue Opens	09-09-2026
Issue Closes	11-09-2026
Finalization of Basis of Allotment	15-09-2026
Refunds/Unblocking ASBA Fund	16-09-2026
Credit of equity shares to DP A/c	16-09-2026
Trading commences	17-09-2026

Listing: ***BSE & NSE***

Issue Break Up

Retail	QIB	NII
35%	50%	15%

*Shareholding**

	Pre Issue	Post Issue
Promoter and Promoter Group	89.68%	78.67%
Public – Investor Selling Shareholder	5.00%	0.00%
Public – Other Selling Shareholder	1.27%	1.06%
Public - Others	4.04%	20.27%
Total	**100.00%**	**100.00%**

**Calculated using data in RHP on pages – 1, 96 & 99. (on basic TSO)*

The following table sets forth details of the Company's AUM across their business verticals as of the dates indicated:

Particulars	March 31, 2026		March 31, 2025		March 31, 2024	
	(₹ million)	(% of AUM)	(₹ million)	(% of AUM)	(₹ million)	(% of AUM)
Corporate loans	138,527.61	68.75%	127,200.05	75.48%	119,564.02	78.51%
SME and Other loans*	15,524.65	7.70%	13,846.85	8.22%	13,313.33	8.74%
Retail loans	47,447.61	23.55%	27,478.80	16.31%	19,422.96	12.75%
Total AUM	**201,499.87**	**100.00%**	**168,525.70**	**100.00%**	**152,300.31**	**100.00%**

* SME and Other loans includes SME and other accounts based on internal assessment of resolution verticals.

(Refer RHP Page 172)

Competitive Strengths

India's First ARC with the second Largest AUM: Being the first ARC in India has helped the Company gain a better understanding of the evolving regulatory environment which enables them to comply with qualification criteria set forth by the RBI for the acquisition of stressed assets. When the RBI required all ARCs in October 2022 to maintain a minimum Net Owned Fund of ₹ 3,000.00 million by March 31, 2026, the Company was one of the few ARCs with Net Owned Funds in excess of such regulatory requirement in October 2022 itself. Further, in October 2022, when the RBI permitted ARCs with a Net Owned Fund of more than ₹ 10,000.00 million to act as a 'resolution applicant' under the IBC, the Company was one of the four ARCs with a Net Owned Fund in excess of such amount in October 2022 itself which enabled them to acquire stressed assets through another regulatory platform as a resolution applicant beyond the traditional resolution mechanisms and thereby further expand their AUM and grow their business. The portfolios that they acquire provide them with a large amount of historical data. They leverage this data to conduct deeper analysis of portfolios prior to acquisition, offering critical insights into performance trends, relevant risks, asset type performance and borrower behaviour. This analytical foundation enhances their ability to further acquire assets by supporting more informed decision-making, optimizing pricing strategies, and identifying value-creation opportunities early in the process.

Expertise in Acquiring Stressed Assets with increasing investment in SRs: The Company has developed expertise in acquiring stressed assets and follow a disciplined acquisition process with a view to acquire lower risk portfolios. They have implemented a comprehensive credit assessment and risk management framework to evaluate potential acquisitions, determine the recovery potential of the assets and manage risks inherent in their operations. They follow a structured approach of gathering, consolidating and analysing data for their credit assessment. They have invested in their information technology systems and implemented automated, digitized and other technology-enabled platforms and proprietary tools to assist them with credit assessment. For retail loans, they use data analytics to create scorecards for each borrower in conjunction with credit information companies ("CIC") scrubs in order to assist them with predicting the risk profile of borrowers, probability of recovery and over underwriting and resolution decision making. Their diligence to evaluate a portfolio includes legal due diligence to assess the enforceability of the security, conducting site visits to understand the value and marketability of the security and diligence on borrowers including analysis of the borrower's financials, business prospects and industry trends.

Ability to Implement Resolution Strategies and a Robust Collections Framework: The Company utilizes different resolution strategies targeted at maximizing the potential of recovery from the stressed assets they acquire. These primarily include pursuing resolution mechanisms pursuant to the IBC; reaching mutual settlements with borrowers for a negotiated amount after evaluating the probability of recovery; restructuring or rescheduling the debt payment of borrowers; selling underlying assets pursuant to the SARFAESI Act and through the DRT. Further, in certain cases where they undertake the restructuring of debt, they may also help with the induction of strategic investors with relevant industry expertise and financial strength to help revive and grow the stressed business. They have established a robust collections framework and specialized collection teams for each of their three business verticals of Corporate loans, SME and Other loans and Retail loans. Their approach to their collections function is aimed at achieving optimal outcomes for ourselves and the borrowers.

Track Record of Consistent Financial and Operational Performance: The Company has demonstrated a consistent track record of financial performance that is attributable to their focussed approach on profitable growth, strategic bidding, implementation of resolution strategies and ability to collect outstanding amounts. They have focussed on maintaining prudent financial management practices including risk management, cost optimization and capital allocation to create a financially stable business. Their financial strength is highlighted from a strong balance sheet characterized by a net worth of ₹30,793.93 million on a standalone basis and ₹29,552.14 million on a consolidated basis, as of March 31, 2026.

Experienced Board of Directors, Management Team and Marquee Investors: The Company has an experienced Board of Directors comprising professionals from diverse industries who have been instrumental in providing support and strategic direction. They are led by a professional and experienced management team who have extensive domain expertise and understanding of their industry and vision to scale up their business. They also have diverse experience in a range of financial products and functions related to their business and operations. Their Promoters include marquee investors, Avenue India Resurgence Pte. Ltd (an affiliate of Avenue Capital Group), which holds 69.73% of their outstanding equity interest, as of the date of this Red Herring Prospectus and the State Bank of India, which holds 19.95% of their outstanding equity interest, as of the same date. They believe they have benefited significantly from their vision and leadership, and they along with their senior management, have been instrumental in formulating and executing the core strategy of the Company.

For further details, refer to 'Our Strengths' page 175 onwards of RHP

Business Strategies

Increase the Proportion of Their Retail, and SME and Other Loans: The Company intends to increase the proportion of Retail and SME and Other loans in their portfolio. They have capitalized on the growth in the retail sector, by increasing the AUM of their Retail loans from ₹ 19,422.96 million as of March 31, 2024 to ₹ 47,447.61 million as of March 31, 2026. This increase in AUM has resulted in an increase in the number of retail borrowers on their platform by 227.32%, from 1,006,232 as of March 31, 2024 to 3,293,588 as of March 31, 2026. They have strengthened their collections capabilities by onboarding additional external collections agents and increasing the number of external collection agents from 94 as of March 31, 2024 to 206 as of March 31, 2026. They believe that their customized end-to-end technology platform, large capital base to acquire portfolios, widespread operations, robust collection infrastructure including trained manpower and external agencies along with existing arrangements with empanelled lawyers and registered valuers, positions them well to capitalize on the growth envisaged in the retail sector. The evolution of the ARC industry along with an evolving regulatory framework have made ARCs one of the preferred modes for stressed asset resolution for such loans. They believe that this provides them substantial growth opportunities which they are well positioned to capitalize on.

Continue to Grow Their Corporate Loans Business: The Company has been acquiring stressed corporate assets for over two decades and will continue to focus on growing their Corporate loans business by targeting credit-worthy mid-sized stressed assets. They employ sector-specific expertise and risk-based pricing models to selectively acquire Corporate loans. They will continue to leverage their strategic partnerships with banks, non-banking financial companies, industry bodies and fintech platforms to identify new opportunities to acquire stressed corporate assets. They will also focus on asset reconstruction opportunities in the commercial real estate sector. They have undertaken the acquisition and resolution of real estate stressed assets for over two decades, and as of March 31, 2026, real estate stressed assets formed 34.34% of their AUM. Resolving stressed real estate projects requires specialised resolution strategies such as providing priority debt funding to borrowers.

Continue to Focus on Effective Use of Technology and Data Analytics to improve operational efficiency: The Company has implemented different technology platforms and tools to assist them with the key functions of their business right from portfolio acquisitions, credit assessments, pricing to collections. They utilize proprietary platforms for asset tracking, case management and compliance monitoring. They use several tools to assist them with their due diligence functions including for valuing an asset, checking borrower history and the probability of recovery basis the underlying value of assets, revival of borrower business basis sustainable cashflows, and associated litigations. They use data analytics through their proprietary scorecards and CIC scrubs to assist them with predicting the risk profile of borrowers, probability of recovery and decision making. For the collection of Retail loans, they use geo-tracking for field agents, UPI and QR code based payments to provide seamless collection mechanisms, and generation of heat maps & risk models which identify stress clusters based on geography, product or borrower type.

Strengthening their Retail Loan Collection Capabilities: The Company has a robust collection infrastructure which involves a combination of in-house collection managers, legal officers and external collection agencies spread across 24 states in India to ensure efficient recovery from both secured and unsecured pools. In Fiscal 2026, 2025 and 2024, they worked with 206, 163 and 94 collection agencies, respectively. They believe that this strategy gives them significant control over the collections process, substantial scalability in their business model and the ability to customize collection strategies based on their analysis of data. They conduct regular training of their in-house and external collection agencies including training in behavioural skills and legal knowledge. They leverage technology to tailor resolutions based on income volatility, credit history and geography based risks. For the collection of Retail loans, they use geo-tracking for field agents, UPI and QR code based payments to provide seamless collection mechanisms, and generation of heat maps and risk models which identify stress clusters based on geography, product or borrower type.

Pursue New Business Opportunities: The Company intends to offer their collection services for retail loans to banks and collect outstanding amounts from borrowers on their behalf. The total addressable market for debt collection agencies under the retail segment (which encompasses housing loans, vehicle loans, personal loans, educational loans, consumer loans and credit loans) is approximately ₹6.9 trillion as of March 31, 2025. They have developed capabilities including auction engines and collections workflow systems to efficiently manage their acquired portfolios. They will utilize these capabilities together their automated resolution system to offer platform based collection services to banks. By leveraging their expertise in asset recovery, legal enforcement and restructuring, they aim to manage stressed assets more efficiently, while providing banks with a streamlined and outsourced solution. In return, they would charge a service fee based on performance metrics, aligning their interests with those of the banks. This model will help banks focus on their core operations while unlocking a large and scalable revenue stream for them, especially in the context of rising delinquency volumes.

For further details, refer to 'Our Strategies' page 183 onwards of RHP

Profile of Directors

Narayanan Subramaniam is the Chairman and Non-Executive Independent Director of the Company. He holds a bachelor's degree of science from University of Madras and a post graduate diploma in management from Indian Institute of Management Ahmedabad. He also is a qualified member of the Institute of Chartered Accountants of India, Institute of Company Secretaries of India and the Institute of Cost and Works Accountants of India. He was previously associated with City Union Bank as a board member and First India Mutual Fund as the chief executive Officer. His areas of experience include in risk management, system implementation, corporate governance, MIS, human resource management, strategy, tax and compliance. He has three decades of experience in private equity, investment management, banking, accounting and finance.

Phanindranath Kakarla is the Chief Executive Officer and Managing Director of the Company. He holds a bachelor's degree in mechanical engineering from the Indian Institute of Technology, Bombay, and a Post Graduate Diploma in Management from the Indian Institute of Management, Calcutta. He has received the "Breakthrough Digital ARC Leadership Award" in the Bharat Collection Summit and Awards, 2026. Prior to joining the Company, he was associated with Edelweiss Group as a senior executive vice president. As the Chief Executive Director and Managing Director, he is responsible for collaboration across departments and to provide strategic direction to the Company with focus on the acquisition, resolution, and value maximization of distressed assets.

Sudarshan Sen is a Non-Executive Director of the Company. He holds a master's degree in science from University of Delhi and a master's degree in business administration in international banking and finance from University of Birmingham, United Kingdom. He was previously associated with the Reserve Bank of India (RBI) as an executive director overseeing the departments of banking regulation, co-operative banking regulation and non-banking regulation. In his career in the RBI, he worked in several areas including banking regulation, bank supervision and fintech regulation, He has been a member of various international committees including serving as the RBI's representative on the Supervision and Implementation Group, the Macroprudential Supervision Group and the Policy Development Group of the Basel Committee on Banking Supervision. Further, he has been a member of several national committees, including the Insolvency Law Committee' and the 'Bankruptcy Law Reforms Committee'. He has also chaired various committees formed by RBI including the 'Committee on functioning of Asset Reconstruction Companies and review of regulatory guidelines applicable to them', the 'Inter-Regulatory Working Group on Fintech and Digital Banking in India' and the 'Working Group on Implementation of Ind AS by Banks in India'.

Ashish Shukla is the Non-Executive Director of the Company. He holds a master's degree in business administration from the A.B. Freeman School of Business, Tulane University, New Orleans, Louisiana. He was previously associated with Westover Advisors in Singapore as a senior strategic and restructuring advisor and advised companies in South East Asia and South Asia on restructuring, value creation and turnaround. He has also been associated with Income Partners Asset Management (HK) Limited as an executive director and senior portfolio manager (special situations). He has been associated with Clearwater Capital Partners Singapore Limited as the vice president where he managed the asset management, restructuring and company turnaround initiatives throughout its portfolios and with Concordia Advisors (Singapore) Pte. Limited where, as a distressed debt analyst, Ashish was responsible for investing, restructuring and asset management for portfolio companies. He has experience in structured credit, acquisition/project finance and special-situation private investing. He is presently associated with Avenue India Resurgence Pte. Ltd. in the capacity of a director and is responsible for asset management and investment advice for Asia strategy.

Balachander Rajaraman is the Non-Executive Independent Director of the Company. He holds a bachelor's degree in commerce from University of Delhi, and is also a Chartered Accountant. He was previously associated with Ernst and Young as a partner and Thakur Vaidyanath Aiyar & Co as a partner. He has more than 29 years of working experience. His areas of expertise include accounting and audit, taxation, and restructuring/insolvency proceedings. He is currently a member of the Indian Institute of Insolvency Professionals, ICAI. Further, he had been associated with PHD Chamber of Commerce and Industry.

Raksha Shashikant Kothari is the Non-Executive Independent Director of the Company. She holds a bachelor's degree in commerce from Sydenham College of Commerce and Economics, University of Bombay and bachelor's degree in law from Government Law College, University of Bombay She was previously associated with DSK Legal Advocates & Solicitors as a partner. She is a corporate and mergers and acquisitions lawyer with more than 35 years of experience. She has experience in leading and managing several assignments, for both Indian and international clients, in the fields of mergers and acquisitions, private equity, debt, real estate, litigation, cross border acquisitions, insolvency and restructuring and transaction support. She has also advised various Indian companies in raising of capital through capital market offerings. She also has experience in handling both civil and corporate, domestic and international litigation and domestic and foreign arbitration. She is a member of the Bar Council of Maharashtra and Goa. Currently she is an independent practitioner and an of counsel with Dhruve Liladhar & Co. Advocates, Solicitors & Notary.

Prasad Parameswaranpillai Naga is the Non-Executive Independent Director of the Company. He holds a bachelor's degree in science from Faculty of Science, University of Kerala and master's degree in science from Agra University. He is also a certified associate of the Indian Institute of Bankers. He was previously associated with Bank of India as a director. Further, at Bank of India, he was a member of the management committee, committee for monitoring of large value frauds, disciplinary proceedings committee, group governance unit committee, committee for declaration of non-cooperative borrowers, share transfer committee and review committee for identification of wilful defaulters. He was also associated with State Bank of India in the positions of deputy managing director (commercial clients group), chief general manager (mid-corporate group) and general manager and regional head (mid-corporate group). His areas of expertise include corporate banking, stressed asset resolution, risk management. He has over 40 years of experience in the banking sector.

Given above is the brief profile of the directors seen on page 223 – 224 of the RHP

Objects of the Offer

Offer for Sale: Since the Offer is an offer for sale, the Company will not receive any proceeds from the Offer.

Comparison with Peers

There are no listed companies which are comparable in size to the Company in India or globally in the same industry. Publicly traded ARCs (operate under the name of Asset Management Companies) exist in other countries. Moreover, some of these such as China Huarong Asset Management Co., Ltd in China and Bangkok Commercial Asset Management in Thailand operate in a domain similar to ARCs. But a direct comparison with the Company is not feasible. This is due to the fact that these AMCs are either directly or indirectly backed by their respective governments. Moreover, the establishment of some of these AMCs was driven by distinct circumstances. The Chinese AMCs also got involved in government programs such as debt-equity swap schemes which is not the case in respect of Indian ARCs. Thus, the regulatory framework (including acquisition of assets, operations of business and resolution methods) pertaining to distressed asset industries of other countries would be different to that of Indian ARCs. Accordingly, they have not provided a comparison of accounting ratios with listed peers.

Financials (Restated Consolidated):

(₹ in Million, unless otherwise indicated)

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Equity Share Capital	3,248.97	3,248.97	3,248.97
Other Equity	34,563.15	30,931.12	27,512.42
Non Controlling Interest	(8,259.98)	(7,548.69)	(6,496.25)
Net Worth (as stated)	29,552.14	26,631.40	24,625.14
Total AUM	201,499.87	168,525.70	152,300.31
Revenue from Operations	7,216.92	5,817.57	6,058.24
EBITDA	5,327.77	4,458.03	4,436.18
EBITDA Margin (%)	69.81%	76.63%	73.23%
Profit/(Loss) before tax	4,645.72	4,311.58	4,147.39
Profit/(Loss) after tax	3,226.91	3,092.39	3,108.85
PAT Margin (%)	46.90%	54.21%	54.22%
Return on Net worth (%)	12.52%	12.95%	14.15%
Basic EPS (₹)	10.82	10.14	10.17
CRAR (%) (Standalone)	65.31%	88.41%	98.14%

Above data is obtained from page 62-69, 109-110 & 383 of RHP

Notes:

a) Net worth means the aggregate value of the paid - up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write - back of depreciation and amalgamation. Net worth is calculated as equity share capital plus Instrument entirely equity in nature plus other equity.

b) EBITDA refers to sum of EBIT and depreciation and amortization expense.

c) EBIDTA margin is calculated as EBITDA/ Revenue from Operations.

d) PAT margin is calculated as Total Income/ Net Profit.

e) RoNW is calculated as the profit for the financial year as a percentage of average net worth. Average Net Worth represents the simple average of networth as at the last day of each of the four quarters of financial year and as of the last day of the preceding year

f) Capital adequacy ratio or capital to risk weighted assets ratio (CRAR) is computed by dividing their Tier I and Tier II capital by risk weighted assets CRAR (%) is computed in accordance with the relevant RBI guidelines).

Key Risk Factors

- The Company's revenue and profits are largely dependent on the value and composition of their AUM and any adverse change in their AUM may impact their revenue and profit.
- Non-compliance with RBI's observations made during any inspection could expose the Company to penalties and restrictions. Any imposition of penalty or adverse findings by the RBI during any future inspections or otherwise may have an adverse effect on their reputation, business, results of operations, financial condition and cash flows.
- The Company bids for stressed assets through a competitive bidding process including the Swiss challenge and anchor process. If they are unable to source and acquire a sufficient amount of stressed assets at appropriate prices, their growth, competitive position, financial condition and results of operations may be adversely affected.
- The Company's inability to recover outstanding amounts from the stressed assets they acquire and manage in a timely manner, or at all, could adversely affect their business, results of operations, financial condition or cash flows.
- A significant portion of the Company's stressed assets are under their corporate loans business vertical (representing 68.75%, 75.48% and 78.51% of their AUM as of March 31, 2026, March 31, 2025, March 31, 2024, respectively). Any factors impacting stressed assets in the corporate loan vertical may have an adverse impact on their business, cash flows, financial condition and results of operations.
- An inability to make accurate stressed asset acquisition decisions could adversely impact the Company's business, financial condition and cash flows.
- The Company relies significantly on their information technology systems for their business and operations. A failure, inadequacy or security breach in their information technology and telecommunication systems may adversely affect their business, results of operations, financial condition and cash flows.
- The Company may have to comply with stricter regulations and guidelines issued by regulatory authorities in India, including the RBI, which may increase their compliance costs, divert the attention of their management and subject them to penalties.
- The Company's Restated Consolidated Financial Information comprises the financial statements of the Company consolidated with those trusts which have been identified as subsidiaries and associates, in accordance with applicable accounting policies. The assets and liabilities of these trusts are distinct from the Company's assets and liabilities and are held for the benefit of the SR holders. Hence, investors must read their Restated Consolidated Financial Information together with their Restated Standalone Financial Information.
- If the Company fails to identify, monitor and manage risks and effectively implement their risk management policies, it could have an adverse effect on their business, financial condition, results of operations and cash flows.
- The Company relies on third party service providers for certain aspects of their business, who may not perform their obligations satisfactorily or in compliance with law. Any disruption, negligence, fraud or inefficiency in the services provided by such third parties could adversely affect their business, results of operation, financial condition and cash flows.
- If the collaterals or guarantees securing the stressed assets which the Company has acquired are not sufficient, or if they are not able to recover the full value of the collateral or guarantee in a timely manner or at all, it will adversely affect their business, financial condition, results of operations and cash flows.
- The asset reconstruction industry in India faces various challenges. If these challenges were to materialize, it may have an adverse effect on their business, financial condition, cash flows and results of operations.
- The Company has certain contingent liabilities that have been disclosed in the Restated Consolidated Financial Information (₹ 20.00 million as of March 31, 2026), which if they materialize, may adversely affect their business, results of operations, financial condition and cash flows.
- The Company has in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.
- Certain sections of the Red Herring Prospectus disclose information from the CRISIL Report which is a paid report and commissioned and paid for by the Company exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.

Please read carefully the Risk Factors given in detail in section II (page 24 onwards) of RHP

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