



(Please scan the QR code to view the RHP)



AYE FINANCE LIMITED

(The Equity Shares of our Company will get listed on the Main Board Platforms of BSE and NSE.)

Our Company was incorporated on August 12, 1993, as a private limited company under the Companies Act 1956, under the name ‘Doda Finance Private Limited’, at Jalandhar, Punjab pursuant to a certificate of incorporation issued by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh. The name of our Company was changed to ‘Aye Finance Private Limited’ pursuant to resolutions dated February 17, 2014 and March 15, 2014, passed by our Board and our Shareholders respectively, and a fresh certificate of incorporation dated March 28, 2014, was issued to our Company by the Registrar of Companies, Punjab and Chandigarh consequent to the change of name. Subsequent to a change in our registered office from the state of Punjab to the National Capital Territory of Delhi pursuant to resolutions dated July 22, 2014 and August 18, 2014 passed by our Board and our Shareholders, respectively, and a fresh certificate of registration dated August 10, 2015, was issued by the Registrar of Companies, Delhi and Haryana at New Delhi (“RoC”). Upon the conversion of our Company to a public limited company, pursuant to resolutions dated October 16, 2024 and October 17, 2024 passed by our Board and our Shareholders respectively, the name of our Company was changed to “Aye Finance Limited”. A fresh certificate of incorporation dated December 10, 2024 was issued by the RoC consequent to our Company’s conversion into a public limited company. For details of changes in registered office of our Company, see “History and Certain Corporate Matters- Changes in our Registered Office” on page 275 of the red herring prospectus dated February 03, 2026 (“Red Herring Prospectus” or “RHP”) filed with the RoC. Prior to the change of the name of our Company from Doda Finance Private Limited to Aye Finance Private Limited, the Reserve Bank of India (“RBI”) had granted a certificate of registration dated December 15, 2000 bearing no. B-06.00369 for registration as a non-banking financial company (“NBFC”) under Section 45-IA of the Reserve Bank of India Act, 1934 (“RBI Act”). Subsequently, the RBI granted a certificate of registration dated November 27, 2015, bearing no. B-14.03323 to our Company, for registration as an NBFC under Section 45-IA of the RBI Act. Additionally, RBI granted a certificate of registration dated March 25, 2025, bearing no. B-14.03323, to our Company, for registration as an NBFC under Section 45-IA of the Reserve Bank of India Act, 1934, post change of name of Company from Aye Finance Private Limited to Aye Finance Limited.

Corporate Identity Number: U65921DL1993PLC283660
Registered Office: M-5, Magnum House-1, Community Centre Karampura, West Delhi, New Delhi - 110 015, India; Tel: +91 124 484 4000

Corporate Office: Unit No. 701-711, 7th floor, Unitech Commercial Tower-2, Sector-45, Arya Samaj Road, Gurugram 122 003, Haryana, India; Tel: +91 124 484 4000; Contact Person: Vipul Sharma, Company Secretary and Compliance Officer; E-mail: secretarial@ayefin.com; Website: https://www.ayefin.com/

OUR COMPANY DOES NOT HAVE AN IDENTIFIABLE PROMOTER

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹2 EACH (THE “EQUITY SHARES”) OF AYE FINANCE LIMITED (“COMPANY” OR “ISSUER”) FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (THE “OFFER PRICE”) AGGREGATING TO ₹10,100.00 MILLION (THE “OFFER”) COMPRISING A FRESH ISSUE OF [●] EQUITY SHARES AGGREGATING UP TO ₹7,100.00 MILLION (THE “FRESH ISSUE”) AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES AGGREGATING TO ₹3,000.00 MILLION (THE “OFFER FOR SALE”), COMPRISING AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES AGGREGATING TO ₹2,822.63 MILLION BY CORPORATE SELLING SHAREHOLDERS (AS DEFINED HEREINAFTER) AND UP TO [●] EQUITY SHARES AGGREGATING TO ₹177.37 MILLION BY INDIVIDUAL SELLING SHAREHOLDER (AS DEFINED HEREINAFTER) (TOGETHER, THE “SELLING SHAREHOLDERS”, AND SUCH EQUITY SHARES, THE “OFFERED SHARES”). THE OFFER WOULD CONSTITUTE [●]% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

DETAILS OF THE OFFER FOR SALE BY THE SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION			
Name of the Selling Shareholder	Type	Number of Equity Shares of face value ₹2 each offer/ Amount (₹ in million)	Weighted average cost of acquisition per Equity Share ^{A1)A*} (in ₹)
Alpha Wave India I LP	Corporate Selling Shareholder	[●] Equity Shares bearing face value of ₹2 each aggregating up to ₹300.00 million	89.62
MAJ Invest Financial Inclusion Fund II K/S	Corporate Selling Shareholder	[●] Equity Shares bearing face value of ₹2 each aggregating up to ₹1,397.63 million	72.57
CapitalG LP	Corporate Selling Shareholder	[●] Equity Shares bearing face value of ₹2 each aggregating up to ₹825.00 million	58.01
LGT Capital Invest Mauritius PCC with Cell E/VP	Corporate Selling Shareholder	[●] Equity Shares bearing face value of ₹2 each aggregating up to ₹300.00 million	52.17
Vikram Jetley	Individual Selling Shareholder	[●] Equity Shares bearing face value of ₹2 each aggregating up to ₹177.37 million	2.00

^A Calculated on a fully diluted basis. ¹⁾ As certified by B.B. & Associates, Chartered Accountants, bearing firm registration number 023670N, by way of their certificate dated February 03, 2026. ^{*} Adjusted for sub-division of face value of ₹10 per equity share to ₹2 per equity share pursuant to the resolution passed by the Board dated October 16, 2024 and resolution passed by the Shareholders dated October 17, 2024. ¹⁾ Cash consideration for equity shares acquired pursuant to conversion of Preference Shares into Equity Shares has been paid at the time of issuance of relevant Preference Shares.

PRICE BAND: ₹122 TO ₹129 PER EQUITY SHARE OF FACE VALUE OF ₹2 EACH.

THE FLOOR PRICE IS 61 TIMES OF THE FACE VALUE OF THE EQUITY SHARES AND THE CAP PRICE IS 64.5 TIMES THE FACE VALUE OF THE EQUITY SHARES.

THE PRICE TO EARNINGS RATIO (“P/E”) BASED ON DILUTED EPS FOR FISCAL 2025 FOR THE COMPANY AT

THE UPPER END OF THE PRICE BAND IS 13.81 TIMES AND AT THE LOWER END OF THE PRICE BAND IS 13.06 TIMES FOR FISCAL 2025.

BIDS CAN BE MADE FOR A MINIMUM OF 116 EQUITY SHARES AND IN MULTIPLES OF 116 EQUITY SHARES THEREAFTER.

WEIGHTED AVGERAGE RETURN ON NET WORTH FOR THE LAST THREE FINANCIAL YEAR IS 12.73%.

Particulars	At the Floor Price of ₹122		At the Cap Price of ₹129	
	Up to No. of Equity Shares of Face Value of ₹2 each	Up to Amount (₹ in million)	Up to No. of Equity Shares of Face Value of ₹2 each	Up to Amount (₹ in million)
Offer For Sale	2,45,90,163	3,000.00	2,32,55,813	3,000.00
Fresh Issue	5,81,96,721	7,100.00	5,50,38,759	7,100.00
Total Offer Size	8,27,86,884	10,100.00	7,82,94,572	10,100.00
Post-Offer market capitalization of the Company	24,99,42,228	30,492.95	24,67,84,266	31,835.17

BID/OFFER PERIOD

ANCHOR INVESTOR BIDDING DATE FRIDAY, FEBRUARY 06, 2026

BID/OFFER OPENS ON MONDAY, FEBRUARY 09, 2026

BID/OFFER CLOSES ON WEDNESDAY, FEBRUARY 11, 2026⁽¹⁾

⁽¹⁾ UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

Our Company is a non-banking financial company – middle layer focused on providing loans to micro scale MSMEs across India. Our Company offers a range of business loans for working capital and business expansion needs, against hypothecation of working assets or against security of property to customers across manufacturing, trading, service and allied agriculture sectors.

THE OFFER IS BEING MADE THROUGH THE BOOK BUILDING PROCESS IN COMPLIANCE WITH REGULATION 6(2) OF THE SEBI ICDR REGULATIONS.

THE EQUITY SHARES OF THE COMPANY WILL GET LISTED ON THE MAIN BOARD PLATFORMS OF BSE AND NSE.

NSE SHALL BE THE DESIGNATED STOCK EXCHANGE.

- QIB PORTION: ATLEAST 75% OF THE OFFER • NON-INSTITUTIONAL PORTION: NOT MORE THAN 15% OF THE OFFER
- RETAIL PORTION: NOT MORE THAN 10% OF THE OFFER

IN MAKING AN INVESTMENT DECISION POTENTIAL INVESTORS MUST ONLY RELY ON THE INFORMATION INCLUDED IN THE RHP AND THE TERMS OF THE OFFER, INCLUDING THE RISKS INVOLVED AND NOT RELY ON ANY OTHER EXTERNAL SOURCES OF INFORMATION ABOUT THE OFFER AVAILABLE IN ANY MANNER.

In accordance with the recommendation of Committee of Independent Directors of our Company, pursuant to their resolution dated February 03, 2026, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the “Basis for Offer Price” section on page 130 of the RHP vis-a-vis the weighted average cost of acquisition (“WACA”) of primary and secondary transaction(s), as applicable, disclosed in the “Basis for Offer Price” section beginning on the page 130 of the RHP and provided below in this advertisement.

In relation to Price Band, potential Investors should only refer to this pre-Offer and price band advertisement for the Offer and should not rely on any media articles/reports in relation to the valuation of the Company as these are not endorsed, published or confirmed either by the Company or the BRLMs.

RISK TO INVESTORS

For details refer to section titled “Risk Factors” on page 33 of the RHP.

1. Risk of non-payment or default by our borrowers:

Non-payment or default by our customers may adversely affect our business, results of operations and financial condition. The figures below are the product-wise Gross NPAs (“GNPAs”):

Particulars	As of September 30,		As of March 31,		
	2025	2024	2025	2024	2023
Hypothecation Loans					
Outstanding amount that are Stage 3 assets (₹ million)	2,370.77	1,421.43	1,916.30	1,228.70	557.20
Percentage of total outstanding amount (%)	5.16%	3.49%	4.36%	3.34%	2.28%
Loans against Property (Mortgage Loans and ‘Saral’ Property Loans)					
Outstanding amount that are Stage 3 assets (₹ million)	353.41	126.01	254.10	87.70	95.24
Percentage of total outstanding amount (%)	3.45%	2.14%	3.32%	1.93%	5.70%

2. Customer Data Reliability Risk:

Our operations depend heavily on the accuracy of information provided by customers

and third-party service providers. Reliance on potentially erroneous data or fraudulent misrepresentation may lead to inaccurate creditworthiness judgments, impacting the value of and title to the collateral and resulting in higher-than-forecasted losses.

3. Increase in Non-performing assets risk:

Incorrect estimation of risks may result in our provisions not being adequate to cover any further increase in the amount of NPAs. We may also be required to write-off NPAs when we have no reasonable expectations of recovering the underlying amounts, and such derecognitions can affect our balance sheet.

Below are details of our asset quality ratios, as well as provision coverage ratio, as of each of the corresponding periods:

Particulars	As of September 30,		As of March 31,		
	2025	2024	2025	2024	2023
Gross NPA ⁽¹⁾ (₹ million)	2,724.18	1,547.44	2,170.40	1,316.30	653.90
Gross NPA ratio ⁽²⁾ (%)	4.85%	3.32%	4.21%	3.19%	2.49%
Net NPA ⁽³⁾ (₹ million)	968.07	525.47	704.00	366.70	328.10
Net NPA ratio ⁽⁴⁾ (%)	1.78%	1.15%	1.40%	0.91%	1.28%
Provision Coverage Ratio ⁽⁵⁾ (%)	64.47%	66.07%	67.56%	72.14%	49.82%
Bad Debts Write-Offs ⁽⁶⁾	1,489.50	773.68	2,064.19	546.01	525.00

(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, as per the Income Recognition, Asset Classification and Provisioning Norms issued and modified by RBI from time to time.
- (3) Net NPA represents Gross NPA reduced by NPA provisions as of the last day of the relevant period.
- (4) Net NPA ratio represents the ratio of our Net NPA to Net Loan portfolio as of last day of the relevant period/year. Net Loan portfolio represents total loan portfolio reduced by impairment allowance, as per the Income Recognition, Asset Classification and Pro-visioning Norms issued and modified by RBI from time to time.
- (5) Provision Coverage Ratio represents total provisions held on Gross NPA as of the last day of the period, as a percentage of total Gross NPAs as of the last day of the year / period.
- (6) Bad Debts Write-offs (net of recovery) includes loss on settlement.

4. **Inability to recover the unsecured loans in a timely manner:**

Our unsecured loans pose a higher credit risk as they are not supported by realisable collateral. We may be unable to collect our outstanding advances in part or at all in the event of non-payment by a borrower.

The table below provides an overview of unsecured business:

Particulars	As of September 30, 2025	As of September 30, 2024	As of March 31, 2025	As of March 31, 2024	As of March 31, 2023
	(₹ million)				
AUM of Unsecured Loans (₹ million)	22,888.82	20,651.66	21961.00	16,921.44	8,236.06
AUM (₹ million)	60,276.22	49,797.64	55,338.96	44,632.91	27,215.51
AUM of Unsecured Loans as a percentage of AUM (%)	37.97%	41.47%	39.68%	37.91%	30.26%
Gross NPA Ratio of Unsecured Loans (%) ⁽¹⁾	5.70%	3.05%	4.33%	3.05%	3.70%
Net NPA Ratio of Unsecured Loans (%) ⁽²⁾	1.95%	0.79%	0.98%	0.30%	2.12%

- Notes:
- (1) Gross NPA ratio represents the gross NPA of unsecured loans (which represents gross loan book pertaining to unsecured 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) to the gross loan book of unsecured loans as of the last day of the relevant period, as per the Income Recognition, Asset Classification and Provisioning Norms issued and modified by RBI from time to time.
- (2) Net NPA ratio represents the ratio of net NPA (which represents gross NPA of unsecured loans reduced by NPA provisions as of the last day of the relevant period) to the net loan portfolio of unsecured loans as of the last day of the relevant period/year. Net loan portfolio of unsecured loans represents total loan portfolio of unsecured loans reduced by impairment allowance, as per the Income Recognition, Asset Classification and Provisioning Norms issued and modified by RBI from time to time.

5. **Negative cash flows from operating activities in the past:**

We have experienced negative cash flows from operating activities from Fiscal 2022 onwards as a result on increase in the volume of disbursements in line with business requirements. Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans.

The following table sets forth certain information relating to our cash flows for the periods indicated:

Particulars	Six Months Ended September 30, 2025	Six Months Ended September 30, 2024	Fiscal 2025	Fiscal 2024	Fiscal 2023
	(₹ million)				
Net cash flows from/ (used in) operating activities	(4,548.76)	(4,188.45)	(8,117.78)	(13,228.26)	(7,203.90)

6. **Interest rate risk:**

Our business is vulnerable to interest rate risk. Any increase in the rate of interest at which we borrow from our lenders, without a corresponding increase in the interest rates we are able to charge our borrowers, could expose us to interest rate risk. Volatility in interest rates could have an adverse effect on our net interest income and net interest margin, thereby affecting our results of operations and cash flows.

7. **Funding Access Constraint Risk:**

If we cannot obtain adequate financing when needed or on reasonable terms, our business, results of operations, cash flows, and financial condition may be adversely affected.

8. **Growth risk:**

Our inability to expand our current operations or the sub-optimal performance of our existing/ new branches may adversely affect our business, financial condition, results of operations and cash flows.

9. **Debt Covenants Default Risk:**

Our financing agreements impose covenants to maintain NPA, asset-coverage and security-cover ratios and permit cross-default/ acceleration, limiting certain transactions. Non-compliance could trigger defaults and constraints, adversely affecting our business, results of operations and financial condition.

10. **Asset Liability Mismatch risk:**

As of September 30, 2025, ₹53,823.30 million, or 75.64% of our overall assets is derived from our lending business. These assets have an average maturity period of 29.23 months, compared to our borrowings tenor of 23.43 months. Any mismatch in the maturity profile of our assets and liabilities may lead to a liquidity risk, particularly if our liabilities mature before our assets or if there is a significant change in interest rates.

11. **The Price/Earnings Ratio based on diluted EPS for Financial Year 2025 for the Company at the upper end of the Price band is as high as 13.81 as compared to the average industry peer group PE ratio of 19.70 for Fiscal 2025.**

12. **Weighted Average Return on Net Worth for Financial Year ended 2025, 2024 and 2023 is 12.73%.**

13. **Average cost of acquisition per Equity Share for the Selling Shareholders as on the date of the Red Herring Prospectus is given below and offer price at upper end of the price band is ₹129.**

S. No.	Name of the Selling Shareholder	Number of Equity Shares held as of date of the Red Herring Prospectus	Average cost of acquisition per Equity Share (in ₹) ^#\$
Corporate Selling Shareholders			
1.	Alpha Wave India I LP	21,514,185	89.62
2.	CapitalG LP	19,686,685	58.01
3.	LGT Capital Invest Mauritius PCC with Cell E/VP	27,120,090	52.17
4.	Maj Invest Financial Inclusion Fund II K/S	11,456,000	72.57
Individual Selling Shareholder			
5.	Vikram Jetley	2,890,000	2.00

- [#]Cash consideration for equity shares acquired pursuant to conversion of Preference Shares into equity shares has been paid at the time of issuance of relevant Preference Shares.
- ^{\$} As certified by B.B. & Associates, Chartered Accountants, bearing firm registration number 023670N, by way of their certificate dated February 03, 2026.
- [^]Adjusted for sub-division of face value of ₹10 per equity share to ₹2 per equity share pursuant to the resolution passed by the Board dated October 16, 2024 and resolution passed by the Shareholders dated October 17, 2024.
- 14.**Weighted average cost of acquisition for all shares transacted in the last one year, 18 months and 3 years preceding the date of the Red Herring Prospectus is as follows:**

Period	Weighted Average Cost of Acquisition (in ₹)^	Cap Price is ‘X’ times the Weighted Average Cost of Acquisition*	Range of acquisition price: Lowest Price – Highest Price (in ₹)^\$
Last one year	12.24	10.54	INR 5.80 - INR 123.17
Last eighteen months	85.92	1.50	INR 5.80 - INR 175.73
Last three years	85.79	1.50	Nil** - INR 175.73

- ^{**}Acquisition price of Equity Shares acquired pursuant to gifts is Nil.
- [^]Adjusted for sub-division of face value of ₹10 per equity share to ₹2 per equity share pursuant to the Board resolution dated October 16, 2024 and Shareholders resolution dated October 17, 2024. The Board has approved the sub-division of equity shares from face value of ₹10 per share to ₹2 per share.
- ^{\$} As certified by B.B. & Associates, Chartered Accountants, bearing firm registration number 023670N, by way of their certificate dated February 03, 2026.

15. **The 4 BRLMs associated with the Offer have handled 141 public Issues in the past three financial years, out of which 36 Issues closed below the offer price on listing date:**

Name of the BRLMs	Total Issues	Issues closed below IPO Price on listing date
Axis Capital Limited*	25	2
IIFL Capital Services Limited (formerly known as IIFL Securities Limited)*	24	9
JM Financial Limited*	20	5
Nuvama Wealth Management Limited*	18	7
Common	54	13
Total	141	36

^{*}Issues handled where there were no common BRLMs

Additional Information for Investors

1. The Company has not undertaken a pre-IPO placement.
2. Our company does not have an identifiable promoter. Set out below are details of the shareholding of our top 10 Shareholders in our Company, as at the date of the Pre-Offer and Price Band Advertisement and as at the date of Allotment:

Sr. No.	Pre-Offer shareholding as at the date of the Red Herring Prospectus			Post-Offer shareholding as at the date of Allotment ^A			
	Name of the shareholder	Number of Equity Shares*	Shareholding (in %)*	At the lower end of the price band (₹122)		At the upper end of the price band (₹129)	
				Number of Equity Shares*	Shareholding (in %)*	Number of Equity Shares*	Shareholding (in %)*
1	Elevation Capital V Limited (<i>formerly known as SAIF Partners India V Limited</i>)	3,10,67,645	16.03%	3,10,67,645	12.43	3,10,67,645	12.59
2	LGT Capital Invest Mauritius PCC with Cell E/VP	2,71,20,090	13.99%	2,46,61,074	9.87	2,47,94,509	10.05
3	Alpha Wave India I LP (<i>formerly known as Falcon Edge India I LP</i>)	2,15,14,185	11.10%	1,90,55,169	7.62	1,91,88,604	7.78
4	CapitalG LP	1,96,86,685	10.16%	1,29,24,390	5.17	1,32,91,337	5.39
5	British International Investment plc	1,82,62,595	9.42%	1,82,62,595	7.31	1,82,62,595	7.40
6	A91 Emerging Fund I LLP	1,77,15,595	9.14%	1,77,15,595	7.09	1,77,15,595	7.18
7	IMP2 Assets Pte. Ltd.	1,36,57,490	7.05%	1,36,57,490	5.46	1,36,57,490	5.53
8	MAJ Invest Financial Inclusion Fund II K/S	1,14,56,000	5.91%	0	0.00	6,21,644	0.25
9	CapitalG International LLC	57,84,485	2.98%	57,84,485	2.31	57,84,485	2.34
10	Sanjay Sharma	55,45,630	2.86%	55,45,630	2.22	55,45,630	2.25

^{*} Calculated on the basis of total Equity Shares of face value of ₹2 each held and vested options under the Employee Stock Option Plans. Includes all options that have been exercised until date of Prospectus and any transfers of equity shares by existing shareholders after the date of the pre-Offer advertisement and Red Herring Prospectus until date of Prospectus. Assuming all vested ESOPs as on date of the Red Herring Prospectus are exercised.

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

BASIS FOR OFFER PRICE



The “**Basis for Offer Price**” section on page 130 of the RHP has been updated with the above Price Band. Please refer to the websites of the BRLMs: www.axiscapital.co.in, www.iifcapital.com, www.jmfl.com and www.nuvama.com, respectively for the “**Basis for Offer Price**” updated for the above. (You may scan the QR code for accessing the website of Axis Capital Limited)

The Price Band and Offer Price will be determined by our Company in consultation with the BRLMs, and in accordance with applicable law, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹2 each and the Offer Price is 61 times the face value at the lower end of the Price Band and 64.5 times the face value at the higher end of the Price Band. Investors should also refer to the sections “**Risk Factors**”, “**Our Business**”, “**Financial Statements**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 33, 218, 304 and 410 of the RHP, respectively, to have an informed view before making an investment decision.

I. Qualitative Factors

Some of the qualitative factors which form the basis for computing the Offer Price are set forth below:

- Leading small-ticket lender in MSME ecosystem with focus on serving large and untapped market of micro enterprises;
- Comprehensive portfolio of lending products for micro enterprises resulting in high customer retention;
- Strong underwriting method;
- Robust multi-tiered collections capabilities;
- Building resilience through technological prowess;
- Access to diversified lender base and cost-effective financing; and
- Experienced and professional management team backed by marquee investors with a committed employee base.

For further details, see “**Risk Factors**” and “**Our Business –Competitive Strengths**” on pages 33 and 226 of the RHP, respectively.

II. Quantitative Factors

Certain information presented below relating to our Company is based on the Restated Financial Statements. For details, see “**Restated Financial Statements**” on page 304 of the RHP.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

1. Basic and diluted earnings per Equity Share (“EPS”) for continuing operations:

As derived from the Restated Financial Statements:

For the period ended as at	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2025	9.51	9.34	3
March 31, 2024	10.62	10.50	2
March 31, 2023	2.57	2.54	1
Weighted Average	8.72	8.59	-
Six months ended September 30, 2025*	3.37	3.32	-
Six months ended September 30, 2024*	6.09	5.97	-

*Not annualized.

Notes:

- (1) Basic EPS amounts are calculated by dividing the profit for the year/period attributable to equity Shareholders of the Company by the weighted average number of equity shares outstanding during the year/period (adjusted for sub-division of face value of equity shares from ₹10 to ₹2 as listed below).
- (2) Diluted EPS amounts are calculated by dividing the profit attributable to equity Shareholders by the weighted average number of equity shares outstanding during the year/period plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares (as adjusted for sub-division of face value of equity shares from ₹10 to ₹2 as listed below).
- (3) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x weight) for each year/Total of weights
- (4) EPS has been calculated in accordance with the Ind AS 33 – “Earnings per share” notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).
- (5) Pursuant to a resolution passed by our Board on October 16, 2024, and a resolution passed by our Shareholders on October 17, 2024, the face value of equity shares of our Company was sub-divided from face value of ₹10 each to face value of ₹2 each. Sub-division of equity shares is retrospectively considered for the computation of basic EPS and diluted EPS in accordance with Ind AS 33 for previous years/periods ended September 30, 2024, March 31, 2024, March 31, 2023 presented.

2. Price/Earning (“P/E”) ratio in relation to the Price Band of ₹122 to ₹129 per Equity Share:

Particulars	P/E ratio at the Floor Price (no. of times)*	P/E at the Cap Price (no. of times)*
Based on basic EPS for Fiscal 2025	12.83	13.56
Based on diluted EPS for Fiscal 2025	13.06	13.81

* To be updated at the Price Band stage.

3. Industry Peer Group P/E ratio

Based on the peer group information (excluding our Company) given below in this section, the highest, lowest and industry average P/E ratio are set forth below:

Particulars	Name of the Company	P/E	Face value per equity share (₹)
Highest	SBFC Finance Limited	27.32	10
Lowest	Five-Star Business Finance Limited	12.07	1
Average		19.70	

Notes:

1. The industry high and low has been considered from the industry peer set provided later in this section. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.
2. P/E ratio has been computed based on the closing market price of the equity shares of the peers identified above, as on February 02, 2026, on www.nseindia.com, divided by the Diluted EPS as on March 31, 2025.
3. All the financial information for listed industry peers mentioned above is sourced from the audited financial statements of the relevant companies for Fiscal 2025, as available on the websites of the Stock Exchanges.

4. Return on Net Worth (“RoNW”)

As derived from the Restated Financial Statements:

For the period ended as at	RoNW (%)	Weight
March 31, 2025	12.12	3
March 31, 2024	17.28	2
March 31, 2023	5.46	1
Weighted Average	12.73	-
Six months ended September 30, 2025*	3.82	-
Six months ended September 30, 2024*	7.63	-

*Not annualized.

Notes:

- (1) Net worth represents total equity as of the last day of the relevant year / period.
- (2) The Weighted Average Return on Net Worth is a product of Return on Net Worth and respective assigned weight, dividing the resultant by total aggregate weight.
- (3) Return on Net Worth = Net profit/(loss) after tax for the years/ periods attributable to the owners of the Company divided by Average Net Worth of the Company for the respective year/period.

5. Net Asset Value per Equity Share

NAV per Equity Share	NAV per Equity Share (Diluted)(₹)	NAV per Equity Share (Basic)(₹)
As on September 30, 2025*	88.66	90.09
As on March 31, 2025	88.38	90.00
After the Offer		
- At the Floor Price**	96.34	97.68
- At the Cap Price**	97.59	98.97
At Offer Price	●	●

*Not annualized. **as on March 31, 2025.

Notes:

1. Basic Net Asset Value per Equity Share = Net worth as per the Restated Financial Statements / Weighted Average number of Equity Shares as at the end of year/period.
2. Diluted Net Asset Value per Equity Share = Net worth as per the Restated Financial Statements / weighted average number of equity shares outstanding during the year/period plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.
3. Net worth represents Total equity as of the last day of the relevant year / period.
4. Pursuant to a resolution passed by our Board on October 16, 2024, and a resolution passed by our Shareholders on October 17, 2024, the face value of equity shares of our Company was sub-divided from face value of ₹10 each to face value of ₹2 each. Sub-division of equity shares is retrospectively considered for the computation of NAV for previous years/periods ended September 30, 2024, March 31, 2024, March 31, 2023 presented.

IV. Comparison with listed industry peers

The following peer group has been determined on the basis of companies listed on Indian stock exchanges, whose business profile is comparable to our businesses in terms of our size and our business model:

Name of the company	Face value (₹ per equity share)	Closing price as on February 02, 2026 (₹ per equity share)	Revenue from operations for Financial Year 2025 (in ₹ million)	Earnings per share for Financial Year 2025 (₹)		Net asset value as at March 31, 2025 (₹ per equity share)		Price/ earnings ratio for the Financial Year 2025*	Return on net worth for the Financial Year 2025 (%)	Market capitalisation (in ₹ billion)
				Basic	Diluted	Basic	Diluted			
Company	2	NA	14,597.32	9.51	9.34	90.00	88.38	NA	12.12	NA
Listed peers										
SBFC Finance Limited	10	86.07	13,061.57	3.21	3.15	29.61	29.10	27.32	11.57	93.47
Five-Star Business Finance Limited	1	440.45	28,478.40	36.61	36.50	215.22	214.58	12.07	18.65	129.68

Source: All the financial information for our Company mentioned above is based on the Restated Financial Statements for the year ended March 31, 2025/ signed financial statement. For SBFC Finance Limited and Five-Star Business Finance Limited, financial information is taken from consolidated financial statements and financial statements respectively of the annual report for Fiscal 2025.

* To be included in respect of our Company in the Prospectus based on the Offer Price.

For further details, please refer to “**Basis for Offer Price - Quantitative Factors - IV. Comparison with Listed Peers**” on page 137 of the RHP.

VII. Weighted average cost of acquisition, Floor Price and Cap Price

1. Price per share of the Company (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under Employee Stock Option Plans and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Primary Issuances”)

Date of Issuance	Name of Allotee	Nature of Transaction	No. of Equity Shares ^	% of paid up capital (fully diluted prior to allotment)	Cost per Equity Share (including securities premium) (₹)*^A
September 23, 2024	Elevation Capital V Limited	Conversion of Series A CCPS into equity shares	5,171,910	2.86	5.80
September 23, 2024	MAJ Invest Financial Inclusion Fund II K/S	Conversion of Series A CCPS into equity shares	5,171,910	2.86	56.13
September 23, 2024	Elevation Capital V Limited	Conversion of Series A1 CCPS into equity shares	7,339,315	4.05	13.63
September 23, 2024	MAJ Invest Financial Inclusion Fund II K/S	Conversion of Series A1 CCPS into equity shares	2,201,795	1.22	56.13
September 23, 2024	A91 Emerging Fund I LLP	Conversion of Series A1 CCPS into equity shares	5,137,520	2.84	110.48
September 23, 2024	Elevation Capital V Limited	Conversion of Series B CCPS into equity shares	10,303,010	5.69	21.35
September 23, 2024	LGT Capital Invest Mauritius PCC with Cell E/VP	Conversion of Series B CCPS into equity shares	14,049,055	7.76	21.35
September 23, 2024	A91 Emerging Fund I LLP	Conversion of Series B CCPS into equity shares	8,429,735	4.66	110.48
September 23, 2024	Elevation Capital V Limited	Conversion of Series C CCPS into equity shares	7,985,025	4.41	51.25
September 23, 2024	LGT Capital Invest Mauritius PCC with Cell E/VP	Conversion of Series C CCPS into equity shares	4,917,265	2.72	51.25
September 23, 2024	CapitalG LP	Conversion of Series C CCPS into equity shares	15,781,255	8.72	51.25
September 23, 2024	LGT Capital Invest Mauritius PCC with Cell E/VP	Conversion of Series D CCPS into equity shares	3,421,610	1.89	85.34
September 23, 2024	CapitalG LP	Conversion of Series D CCPS into equity shares	3,904,930	2.16	85.34
September 23, 2024	MAJ Invest Financial Inclusion Fund II K/S	Conversion of Series D CCPS into equity shares	1,824,540	1.01	85.34
September 23, 2024	Alpha Wave India I LP	Conversion of Series D CCPS into equity shares	18,224,365	10.07	85.34
September 23, 2024	Alpha Wave India I LP	Conversion of Series E CCPS into equity shares	2,435,570	1.35	123.17
September 23, 2024	LGT Capital Invest Mauritius PCC with Cell E/VP	Conversion of Series E CCPS into equity shares	4,566,695	2.52	123.17
September 23, 2024	CapitalG International LLC	Conversion of Series E CCPS into equity shares	5,784,485	3.20	123.17
September 23, 2024	MAJ Invest Financial Inclusion Fund II K/S	Conversion of Series E CCPS into equity shares	1,826,680	1.01	123.17
September 23, 2024	A91 Emerging Fund I LLP	Conversion of Series E CCPS into equity shares	2,435,570	1.35	123.17
September 23, 2024	British International Investment plc	Conversion of Series F CCPS into equity shares	17,124,410	9.46	145.99
September 23, 2024	Waterfield Alternative Investments Fund I	Conversion of Series F CCPS into equity shares	2,397,370	1.32	145.99
September 23, 2024	A91 Emerging Fund I LLP	Conversion of Series F CCPS into equity shares	1,712,445	0.95	145.99
September 26, 2024	British International Investment plc	Allotment of equity shares	1,138,135	0.63	175.73
September 26, 2024	IMP2 Assets Pte. Ltd.	Allotment of equity shares	9,557,490	5.28	175.73
Weighted average price ^A					82.59

**As certified by B.B. & Associates, Chartered Accountants, bearing firm registration number 023670N, by their certificate dated February 03, 2026.

^A Adjusted for sub-division of face value of ₹10 per equity share to ₹2 per equity share pursuant to the resolution passed by the Board dated October 16, 2024 and resolution passed by the Shareholders dated October 17, 2024.

^A Cash consideration for equity shares acquired pursuant to conversion of Preference Shares into equity shares has been paid at the time of issuance of relevant Preference Shares.

2. Price per share of the Company (as adjusted for corporate actions, including bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving any of the Selling Shareholders or other Shareholders of the Company with rights to nominate directors during the 18 months preceding the date of filing of the Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Secondary Transactions”)

N.A.

3. If there are no such transactions to report under 1 and 2 above, the following are the details of the price per share of our Company basis the last five primary or secondary transactions (secondary transactions where Selling Shareholders or other shareholders with the right to nominate directors on our Board, are a party to the transaction), not older than three years prior to the date of filing of the Red Herring Prospectus irrespective of the size of transactions

N.A.

4. The Floor Price is 1.48 times and the Cap Price is 1.56 times the weighted average cost of acquisition at which the Equity Shares were issued by our Company or sold by our Selling Shareholders or other shareholders with the right to nominate directors on our Board are disclosed below:

Past transactions	Weighted average cost of acquisition per Equity Share (₹) [†]	Floor Price (₹)*	Cap Price (₹)*
Weighted average cost of acquisition of Primary Issuances	82.59	1.48	1.56
Weighted average cost of acquisition of Secondary Transactions	NA	NA	NA

[†] To be updated at the Prospectus stage.

^A As certified by B.B. & Associates, Chartered Accountants, bearing firm registration number 023670N, by their certificate dated February 03, 2026.

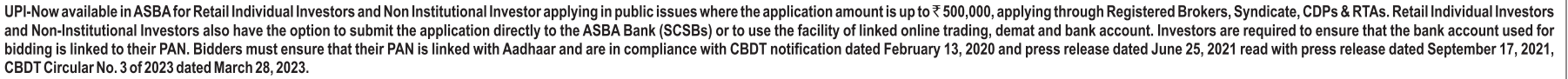
5. Detailed explanation for Cap Price being ₹129 per Equity Share along with our Company’s KPIs and financial ratios for and Fiscal 2025, 2024 and 2023 and for the six months ended September 30, 2024 and September 30, 2025:

1. We are among the leading non-banking financial companies (“NBFCs”) providing business loans to the largely underserved micro scale enterprises in India, with 586.825 active unique customers across 18 states and 3 union territories and with assets under management (“AUM”) of ₹60,276.22 million, as of September 30, 2025. (Source: CRISIL Report)
2. We are a leading lender of small-ticket loans to Micro Scale MSMEs with Comprehensive Product Offerings and Focus on Serving Large and Unaddressed TAM
3. We have strong Sourcing Capabilities Supported by a Diversified Pan-India Presence and High Customer Retention
4. We have Effective Underwriting Methodology and our underwriting expertise gives us a key competitive advantage that has been honed over the years
5. We have Robust Multi-Tiered Collection Capabilities. Our ratio of Stage 2 assets to total gross loans was 1.65% and 1.82% as of September 30, 2025 and March 31, 2025, respectively, which was the lowest among the Peer MSME Focused NBFCs in those periods. (Source: CRISIL Report)
6. We have Building Resilience through Technological Prowess. We follow a ‘phygital’ business model that combines the strengths of physical and digital channels to optimize operations.
7. We have access to Diversified Lender Base and Cost-Effective Financing. Our debt to equity ratio was 3.02, 2.56, 2.73, 2.84 and 3.04 as of September 30, 2025 and September 30, 2024 and March 31, 2025, March 31, 2024 and March 31, 2023, respectively.
8. We have experienced and Professional Management Team backed by Marquee Investors with a Committed Employee Base

Investors should read the above-mentioned information along with “**Risk Factors**” and “**Our Business**” on pages 33 and 218 of the Red Herring Prospectus, respectively and “**Restated Financial Statements**” on page 304 of the Red Herring Prospectus, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “**Risk Factors**” on page 33 of the Red Herring Prospectus and you may lose all or part of your investments.


ASBA* | **Simple, Safe, Smart
way of Application!!!**

*Applications Supported by Blocked Amount
("ASBA") is a better way of applying to offers by
simply blocking the fund in the bank account.
For further details, check section on ASBA.
Mandatory in public issues.
No cheque will be accepted.



AN INDICATIVE TIMETABLE IN RESPECT OF THE OFFER IS SET OUT BELOW:		
Submission of Bids (other than Bids from Anchor Investors):		Bid/Offer Period
Bid/Offer Period (except the Bid/Offer Closing Date)		EVENT
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST"))	BID/OFFER OPENS ON⁽¹⁾
Bid/Offer Closing Date*		BID/OFFER CLOSES ON⁽²⁾⁽³⁾
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For RILs, other than QIBs and Non-Institutional Investors	Only between 10.00 a.m. and up to 5.00 p.m. IST	⁽¹⁾ UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications)	Only between 10.00 a.m. and up to 4.00 p.m. IST	BID/OFFER PROGRAMME
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST	EVENT
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST	FINALIZATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and Non-Institutional Investors)	Only between 10.00 a.m. and up to 12.00 p.m. IST	INITIATION OF REFUNDS (IF ANY, FOR ANCHOR INVESTORS)/UNBLOCKING OF FUNDS FROM ASBA ACCOUNT*
Modification/ Revision/cancellation of Bids		CREDIT OF EQUITY SHARES TO DEMAT ACCOUNTS OF ALLOTTEES*
Upward Revision of Bids by QIBs and Non-Institutional Investors categories [§]	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 4.00 p.m. IST on Bid/Offer Closing Date	COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGES
Upward or downward Revision of Bids or cancellation of Bids by RILs	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 5.00 p.m. IST on Bid/Offer Closing Date	
<p><i>Our Company and Selling Shareholders in consultation with the BRLMs, may decide to close the Bid/ Offer Closing Period for QIBs one Working Day prior to the Bid/ Offer Closing Date, in accordance with the SEBI ICDR Regulations.</i></p> <p><i>*UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.</i></p> <p><i>*QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/ withdraw their Bids.</i></p> <p>On the Bid/Offer Closing Date, the Bids shall be uploaded until:</p> <p>(i) 4:00 p.m. IST in case of Bids by QIBs and Non-Institutional Investors, and</p> <p>(ii) until 5:00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RILs.</p> <p>On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by RILs after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.</p>		

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER	
 <p>Axis Capital Limited 1st Floor, Axis House, P.B. Marg, Worli, Mumbai 400 025, Maharashtra, India Tel: +91 22 4325 2183 E-mail: ayefinance.ipo@axiscap.in Website: www.axiscapital.co.in Investor grievance e-mail: complaints@axiscap.in Contact person: Tosit Agarwal SEBI registration no.: INM000012029</p>	 <p>IIFL Capital Services Limited <i>(formerly known as IIFL Securities Limited)</i> 24th Floor, One Lodha Place, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, Maharashtra, India Tel: +91 22 4646 4728 E-mail: ayefinance.ipo@iiflcap.com Website: www.iiflcapital.com Investor grievance e-mail: ig.ib@iiflcap.com Contact person: Dhruv Bhavsar/ Pawan Kumar Jain SEBI registration no.: INM000010940</p>	 <p>JM Financial Limited 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India Tel: +91 22 6630 3030 E-mail: ayefinance.ipo@jmfl.com Website: www.jmfl.com Investor grievance e-mail: grievance.ibd@jmfl.com Contact person: Prachee Dhuri SEBI registration no.: INM000010361</p>	 <p>Nuvama Wealth Management Limited 801-804, Wing A, Building No 3, Inspire BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051, Maharashtra, India Tel: + 91 22 4009 4400 E-mail: ayefinance@nuvama.com Website: www.nuvama.com Investor grievance e-mail: customerservice.mb@nuvama.com Contact person: Lokesh Shah SEBI registration no.: INM000013004</p>	 <p>KFin Technologies Limited 301, The Centrium, 3rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai – 400 070, Maharashtra, India Tel: +91 40 6716 2222 E-mail: ayefinance.ipo@kfintech.com Investor grievance e-mail: einward.ris@kfintech.com Contact Person: M Murali Krishna SEBI registration no.: INR000000221</p>	<p>Vipul Sharma AYE FINANCE LIMITED Unit No. 701-711, 7th Floor, Unitech Commercial Tower-2, Sector-45, Arya Samaj Road, Gurugram 122 003, Haryana, India Tel: +91 124 4844000 E-mail: secretarial@ayefin.com Website: https://www.ayefin.com/</p> <p>Bidders may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of Allotment Advice, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs.</p>

	REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
 nuvama Wealth Management Limited Wing A, Building No 3, Inspire BKC, Bandra Kurla Complex, Bandra East, 400 051, Maharashtra, India T 22 4009 4400 ayefinance@nuvama.com www.nuvama.com grievance e-mail: rservice.mb@nuvama.com Person: Lokesh Shah Registration no.: INM000013004	 KFint Technologies Limited 301, The Centrium, 3 rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai - 400 070, Maharashtra, India Tel: +91 40 6716 2222 E-mail: ayefinance ipo@kfintech.com Investor grievance e-mail: einward.ris@kfintech.com Contact Person: M Murali Krishna SEBI registration no.: INR000000221	Vipul Sharma AYE FINANCE LIMITED Unit No. 701-711, 7th Floor, Unitech Commercial Tower-2, Sector-45, Arya Samaj Road, Gurugram 122 003, Haryana, India Tel: +91 124 4844000 E-mail: secretarial@ayefin.com Website: https://www.ayefin.com/ <hr/> Bidders may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of Allotment Advice, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs.

CONCEPT