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Dar Credit & Capital Ltd.
...we make life simple



DAR CREDIT & CAPITAL LIMITED

CORPORATE IDENTITY NUMBER: U65999WB1994PLC064438

Our Company was originally incorporated as "Dar Credit & Capital Limited" as a Public Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated August 10, 1994 issued by Registrar of Companies, West Bengal, and Certificate of Commencement of Business dated August 16, 1994 issued by Registrar of Companies, West Bengal. The Corporate Identification Number of our Company is U65999WB1994PLC064438. Further, Debentures of our Company are listed on BSE Limited since February 17, 2021. For further details please refer to the chapter titled "History and Certain Corporate Matters" beginning on Page No. 140 of the Red Herring Prospectus.

Registered Office: Business Tower, 206 AJC Bose Road, 6th Floor, Unit No. 6B, Kolkata, West Bengal, India, 700017;
Telephone: +91 9883847875; **E-mail:** Co.secretary@darcredit.com; **Website:** www.darcredit.com
Contact Person: Ms. Priya Kumari, Company Secretary & Compliance Officer;

PROMOTERS OF OUR COMPANY: MR. RAMESH KUMAR VIJAY, MR. RAJKUMAR VIJAY AND MRS RAKSHITA VIJAY

INITIAL PUBLIC ISSUE OF UPTO 42,76,000* EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF DAR CREDIT & CAPITAL LIMITED (THE "COMPANY" OR "DCCL" OR "ISSUER") AT AN ISSUE PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ [•] LACS ("PUBLIC ISSUE") OUT OF WHICH 2,16,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [•] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [•] LACS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF 40,60,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [•] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [•] LACS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE [•]% AND [•]% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

*Subject to finalization of basis of allotment.

DETAILS OF SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION:
Not applicable as the entire issue constitutes fresh issue of Equity shares.

PRICE BAND: ₹ 57 TO ₹ 60 PER EQUITY SHARE OF FACE VALUE ₹ 10/- EACH.
THE FLOOR PRICE IS 5.70 TIMES OF THE FACE VALUE AND THE CAP PRICE IS 6.0 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.
BIDS CAN BE MADE FOR A MINIMUM OF 2000 EQUITY SHARES AND IN MULTIPLES OF 2000 EQUITY SHARES THEREAFTER.

BRIEF DESCRIPTION OF THE BUSINESS OF THE COMPANY

Our company offers three primary types of financial products: (i) Personal Loans, (ii) Unsecured MSME Loans, and (iii) Secured MSME Loans. Our Company specializes in offering credit solutions to low-income individuals, particularly those in class-four (Group D) employment role such as cleaners, sweepers, and peons working in municipalities. Our Company also extends credit to small-scale shopkeepers, traders, manufacturers, persons engaged in the Agri & Agri allied business and vendors, with a strong focus on empowering women entrepreneurs. With extensive experience in the financing and investment sector in India, Dar Credit & Capital Limited has built a deep understanding of the market since its inception. In addition to our headquarters in Kolkata and regional office in Jaipur, DCCL operates through its branch offices across West Bengal, Rajasthan, Bihar and Jharkhand also Camp Offices are set up in the States of Madhya Pradesh and Gujarat.

For further details, please see "Our Business" on page 112 of this Red Herring Prospectus.

BID/ISSUE PROGRAMME

ANCHOR PORTION ISSUE OPENS/CLOSES ON: MAY 20, 2025, TUESDAY*

BID/ISSUE OPENS ON: MAY 21, 2025, WEDNESDAY*

BID/OFFER CLOSES ON: MAY 23, 2025, FRIDAY ^**

*Our Company may in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor shall Bid on the Anchor investor bidding date i.e. one Working Day prior to the Bid/Offer Opening Date.
**Our Company may in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.
^ UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.

THIS ISSUE IS BEING MADE THROUGH BOOK BUILDING PROCESS, IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI (ICDR) REGULATIONS"), AS AMENDED READ WITH RULE 19(2)(B) OF SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED.

FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED "ISSUE PROCEDURE" BEGINNING ON PAGE 211 OF THE RED HERRING PROSPECTUS. A COPY OF THE RED HERRING PROSPECTUS IS BE DELIVERED FOR REGISTRATION TO THE REGISTRAR OF COMPANIES, KANPUR AS REQUIRED UNDER SECTION 26 and 32 OF THE COMPANIES ACT, 2013.

ALLOCATION OF THE ISSUE

• QIB PORTION: NOT MORE THAN 50.00% OF THE NET ISSUE • RETAIL PORTION: NOT LESS THAN 35.00% OF THE NET ISSUE
• NON-INSTITUTIONAL PORTION: NOT LESS THAN 15.00% OF THE NET ISSUE • MARKET MAKER PORTION: UP TO 2,16,000 EQUITY SHARES OR 5.05% OF THE ISSUE

IN MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS MUST ONLY RELY ON THE INFORMATION INCLUDED IN THE RED HERRING PROSPECTUS AND THR TERMS OF THE ISSUE, INLCUDING THE RISKS INVOLVED AND NOT RELY ON ANY OTHER EXTERNAL SOURCES OF INFORMATION ABOUT THE ISSUE AVAILABLE IN ANY MANNER. In accordance with the recommendation of the Independent Directors of our Company, pursuant to their resolution dated May 14, 2025, The above provided price band is justified based on quantitative factors/KPIs disclosed in the "Basis for Issue Price" section beginning on page no. 93 of the Red Herring Prospectus vis-à-vis the weighted average cost of acquisition (WACA) of primary and secondary transaction(s) as applicable disclosed in the "Basis for Issue Price" section beginning on page no 93 of the Red Herring Prospectus and provided below in the advertisement.

RISKS TO INVESTORS

Summary description of key risk factors based on materiality:

- Our business is vulnerable to interest rate risk, and volatility in interest rates could have an adverse effect on our net interest income and net interest margin, thereby affecting our results of operations.
- Our gross loan portfolio is derived from loans originating from various state, and any adverse developments in these regions may have an adverse effect on our business, results of operations, financial condition and cash flows.
- The NBFC industry in India faces certain risks due to the category of customers that it services, which are not generally associated with other forms of lending. As a result, we may experience increased levels of nonperforming assets and related provisions and write-offs that may adversely affect our business, financial condition and results of operations.
- We depend on the accuracy and completeness of information provided by our borrowers. Any misleading information provided to us by our borrowers may affect our judgement of their credit worthiness, which could have an adverse effect on our business, cash flows, results of operations, financial condition.
- Rating given by Care Ratings "CARE BBB-" is considered to have moderate degree of safety, therefore, in future it may give Challenges to the business.
- The proper functioning of our online platform and technology infrastructure is essential to our business. Any disruption to our IT systems and infrastructure could materially affect our ability to maintain the satisfactory performance of our platform and deliver consistent services to our users.
- Our top two states contribute our major revenue for the period ended December 31, 2024 and year ended March 31, 2024, 2023, 2022. Any loss of business from one or more of these states may adversely affect our revenues and profitability.
- If we are unable to manage our growth effectively, our business and reputation could be adversely affected. Furthermore, we may not be able to sustain the growth rates we have had in the past
- Our non-convertible debentures are listed on the BSE and we are subject to rules and regulations with respect to such listed non-convertible debentures. If we fail to comply with such rules and regulations, we may be subject to certain penal actions, which may have an adverse effect on our business, results of operations, financial condition and cash flows.
- Our credit monitoring and risk management policies may not be adequate to control our Non- Performing Assets which could adversely affect our financial conditions and results of operations.

Details of suitable ratios of the company for the latest full financial year

1. Basic and Diluted Earnings per Share (EPS) as adjusted for changes in capital

(post bonus effect and split of shares)

Year ended	Basic and Diluted EPS (in ₹)	Weight
FY 2021-22* (Consolidated)	2.51	1
FY 2022-23 (Standalone)	2.93	2
FY 2023-24 (Standalone)	3.97	3
Weighted Average	3.38	
For the period ended on December 31, 2024 (Standalone)	4.92	

*March 31, 2022 figures have taken from Restated Consolidated Financial Statements

Note:

- The figures disclosed above are based on the Restated Financial Statements of the Company
- The face value of each equity shares is Rs. 10.00
- Basic EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the period/ year.
- Diluted EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the period/year for diluted EPS.
- Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the year/period.
- The above statement should be read with significant accounting policies and notes on Restated Financial Statements as appearing in the Financial Statements.
- The EPS has been calculated in accordance with AS 20 Earnings Per Share (EPS) issued by Institute of Chartered Accountants of India

Note: As certified by M/s KASG & Co., Chartered Accountants pursuant to their certificate dated May 14, 2025.

2. Net Asset Value (NAV) per Equity Share

Particulars	NAV per Share (₹)
As on March 31, 2022 (Consolidated)	59.40
As on March 31, 2023 (Standalone)	61.78
As on March 31, 2024 (Standalone)	65.25
As on December 31, 2024 (Standalone)	69.67
Net Asset Value per Equity Share after the Issue	[•]
Issue price per equity shares	[•]

Note:

- NAV (book value per share) = Total shareholders' funds divided by number of shares outstanding as on March 31, 2024, and every year.
- As certified by M/s KASG & Co., Chartered Accountants pursuant to their certificate dated May 14, 2025.

3. Comparison of Accounting Ratios with 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 –

Name of the Company	CMP*	Basic EPS (₹)	Diluted EPS (₹)	Face Value (₹)	P/E Ratio*	RoNW (%)	NAV Per Share	Total Income
Peer Group								
List of NBFC MFI								
Sandana Spoority Financial Ltd	273.5	70.42	69.38	10	3.94	13.74%	511.18	2,53,395.00
Multhoot Microfin Ltd	145.66	30.2	30.2	10	4.82	16.03%	164.49	2,28,549.00
Credit Access Grameen Ltd	1,137	90.88	90.41	10	12.58	22.01%	412.23	5,17,265.00
Fusion Microfinance Ltd	162.37	50.3	50.11	10	3.24	17.74%	281.93	2,41,242.00
Satin Creditcare Network Ltd	167.84	44.34	43.27	10	3.88	18.16%	218.28	2,24,052.78
Our Company**	[•] ^	3.97	3.97	10	[•] ^	6.08%	65.25	3,301.38

*Source: All the financial information for listed industry peers mentioned above is sourced from the Annual report of the aforesaid companies for the year ended March 31, 2024 and stock exchange data dated May 07, 2025 to compute the corresponding financial ratios for the financial year ended March 31, 2024. The current market price and related figures are as on May 07, 2025.

- P/E figures for the peers are based on closing market prices of equity shares on BSE and NSE on March 31, 2024 divided by the Basic EPS as at March 31, 2024
- Basic and Diluted EPS refers to the Basic and Diluted EPS sourced from the Annual Reports for FY 22-23 of the listed peer companies.
- Pat Margin (%) for listed industry peers has been computed based on the Net Profit After Tax for the year ended March 31, 2024 divided by Revenue from operations as on March 31, 2024.
- Return on Net Worth (%) for listed industry peers has been computed based on the Net Profit After Tax for the year ended March 31, 2024 divided by Total Equity as on March 31, 2024.
- NAV per share for listed peers is computed as the Total Equity as on March 31, 2024 divided by the outstanding number of equity shares as on March 31, 2024.

**CMP of our company is considered as Issue Price.

^ To be included post finalization of Issue Price.

Note: As certified by M/s KASG & Co., Chartered Accountants pursuant to their certificate dated May 14, 2025

4. Key Performance Indicators (KPI) of our company

(in ₹ lakhs, except per share data)

Particulars	For period ended December 31, 2024 (Standalone)	For the year ended March 31		
		2024 (Standalone)	2023 (Standalone)	2022 (Consolidated)#
Revenue from Operations (₹ in Lakhs)	3,008.58	3,204.88	2,479.27	2,446.83
Growth in Revenue from Operations (%)	-	29.27%	2.34%	-
Other Income (₹ in Lakhs)	94.66	96.50	77.70	19.42
Total Income (₹ in Lakhs)	3,103.24	3,301.38	2,556.97	2,466.25
EBITDA (₹ in Lakhs)	2,151.71	2,192.28	1,645.88	1,591.95
EBITDA Margin (%)	69.34%	66.40%	64.37%	64.55%
Profit After Tax (₹ in Lakhs)	491.94	396.83	293.00	250.94
PAT Margin (%) *	16.35%	12.38%	11.82%	10.26%
ROE (%)	7.20%	6.17%	4.47%	4.08%
ROCE (%)	9.70%	9.22%	8.78%	9.21%
Debt-Equity Ratio	2.07	2.51	1.92	1.76

*Figures for FY 2021-22 are considered on a consolidated basis, as the company had a wholly-owned subsidiary, "Dar Credit Microfinance Private Limited," which was subsequently disposed off in FY 2022-23.

1 Revenue from operations represents the revenue from sale of service & product & other operating revenue of our Company as recognized in the Restated financial information.

2 Total income includes revenue from operations and other income.

3 EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back interest cost, depreciation, and amortization expense.

4 EBITDA margin is calculated as EBITDA as a percentage of total income.

5 Net Profit for the year/period represents the restated profits of the Company after deducting all expenses.

6 PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.

7 Return on Equity is calculated as Net profit after tax, as restated, attributable to the owners of the Company for the year/ period divided by Average Shareholder's equity at the end of respective period/year. Average Shareholder's Equity means average of aggregate value of the paid-up equity share capital and reserves & surplus as at opening of the year/period and as at closing of the year/period.

8 Return on capital employed calculated as Earnings before interest and taxes divided by capital employed as at the end of respective period/year. (Capital employed calculated as the aggregate value of total equity, total debt and deferred tax liabilities)

9 Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long-term and short-term borrowings. Total equity is the sum of share capital and reserves & surplus.

Note: As certified by M/s KASG & Co., Chartered Accountants pursuant to their certificate dated May 14, 2025

5. Weighted average return on net worth for the last 3 FYs, and return on net worth for any interim period for the issuer company

Year ended	RoNW(%)	Weight
FY 2021-22 (Consolidated)	4.22%	1
FY 2022-23 (Standalone)	4.74%	2
FY 2023-24 (Standalone)	6.08%	3
Weighted Average		5.32%
For Period ended on December 31, 2024 (Standalone)		7.06%

(i)RoNW is calculated as net profit after taxation and minority interest attributable to the equity shareholders of the Company divided by shareholders' funds for that year. Shareholders' funds = Share capital + reserves & surplus – revaluation reserves

(ii) Networth is computed as the sum of the aggregate of paid up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account. It may be noted that equity component of financial instruments is excluded while calculating Networth of the Company.

(iii) Weighted Average = Aggregate of year wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

Note: As certified by M/s KASG & Co., Chartered Accountants pursuant to their certificate dated May 14, 2025

6. Disclosures as per clause (9)(K)(4) of Part A to Schedule VI, as applicable.

a. The Price per share of our Company based on the primary/ new issue of shares (equity / convertible securities).

The details of the Equity Shares/ convertible warrants (primary/ new issue of securities), excluding shares issued under ESOP/ ESOS and issuance of bonus shares, during the eighteen (18) months preceding the date of this red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Issue 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 thirty (30) days ("Primary Issuance") are as follows:

Date of Allotment	No. of Equity Shares	Face value	Issue Price (₹)	Nature of consideration	Nature of Allotment
		(₹)			
Not applicable as our Company has not issued any shares during last 18 months, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company					
Weighted Average Cost of Acquisition of the above transactions (after changes in capital due to bonus and split)			N.A.		

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