

**Query:**

*It has been observed that the Company has provided previous Valuation Report of Team India Guaranty Limited under Annexure D, which does not include the working for all the three approaches of Valuation and the requisite rationale for giving weightage to a particular approach as per the prices derived from the respective approach. Kindly provide a revised Valuation Report of Team India Guaranty Limited as per NSE Checklist for Pre Preferential Allotment, provided on the Official website.*

**Clarification:**

Attaching herewith the revised report as per the NSE Checklist for Pre Preferential Allotment.

**Query:**

*Under the Valuation Report of 4A Financial Technologies Private Limited, the following are noted:*

*a. The following observations are made from last 3 years financials:*

<i>Particulars</i>	<i>2022</i>	<i>2023</i>	<i>2024</i>
<i>Total Revenue</i>	<i>10,95,000</i>	<i>89,74,776</i>	<i>2,80,83,314</i>
<i>Growth %</i>		<i>7.20</i>	<i>2.13</i>

**Clarification:**

Basis discussion with management and representations given by the management of the Company, We submit that the Company has two separate growth trajectories under consideration:

**(a) Historical Growth (FY22–FY24)**

- We note that the Total Revenue figure for FY22 mentioned in your query (₹10,95,000) pertains to the standalone financials of 4A Financial Technologies Private Limited, whereas the FY23 and FY24 revenue figures referred to are on a consolidated basis. For consistency, the correct consolidated Total Revenue for FY22 is ₹11,82,526.
- On this consolidated basis, the Company's revenues have grown from ₹11.83 lakhs in FY22 to ₹280.83 lakhs in FY24, translating into a two-year CAGR of approximately 387% p.a. This unusually high growth is attributable to the low base in FY22 and the subsequent scale-up of operations.
- The "Growth %" figures cited in your query (7.20 and 2.13) appear to represent growth multiples (7.20× and 2.13×) rather than percentages. On a percentage basis, the correct year-on-year growth rates are ~659% in FY23 and ~213% in FY24.

**(b) Projected Growth (Forward-Looking Model)**

- The CAGR referenced in our earlier response relates to projections, not historical revenues. Under the dual-engine business model, Sales/Interest Income is projected to increase from ₹2.90 Cr in Year 0 to ₹22.00 Cr in Year 5.
- The CAGR is calculated as:

$$\text{CAGR} = \left(\frac{22.00}{2.90}\right)^{\frac{1}{5}} - 1 \approx 50\% \text{ p.a.}$$



Kindly clarify the dual engine model explained in response explaining the business of 4A Financial Technologies in detail.

**Clarification:**

Basis discussion with management and representations given by the management of the Company, the Company's business model rests on two complementary "engines" of growth, structured to provide a balance between stability and scalability.

**(a) Proprietary Lending (On-Balance Sheet)**

As on the valuation date, the Company maintained a proprietary lending portfolio of ₹13.2 Cr deployed directly on its balance sheet. This portfolio yielded a consistent return of approximately 22% per annum, generating an annual income of about ₹2.90 Cr. The stability of this income stream provided predictable cash flows and constituted a reliable base for the Company's operations.

**(b) Co-Lending (Off-Balance Sheet through Syndication and Structuring)**

The co-lending segment functions as the primary growth driver and is implemented through partnerships with other NBFCs. Loan origination and structuring are undertaken by the Company using its proprietary loan-origination software, which forms the operational backbone of this model. The software integrates digital underwriting, automated credit assessment, and data-driven scoring tools to evaluate borrower profiles efficiently and in compliance with the credit norms of partner NBFCs. It further enables seamless system integration, transparent reporting, real-time monitoring, and early warning triggers. This ensures disciplined disbursement, improved asset quality, and mitigation of operational risk. Importantly, the funding for such loans resides largely on the balance sheets of partner NBFCs, thereby preserving the Company's capital-light and de-risked structure.

**Key Differentiators of the Model**

- *Capital-light scalability:* Expansion achieved without material leveraging of the Company's balance sheet.
- *Risk mitigation:* Off-balance sheet structuring limits credit exposure, while reliance on the financial strength of partner NBFCs provides further de-risking.
- *Technology-enabled underwriting:* Proprietary origination software ensures disciplined disbursement and efficient customer acquisition, enhancing asset quality.

This dual-engine model combines the stability of proprietary lending with the scalability of co-lending fee income, creating a predictable yet high-growth trajectory for the Company. The same is reflecting in the financial projections considered for the valuation purpose.

Particulars (INR Crs.)	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Total AUM</b>	<b>13.2</b>	<b>31.3</b>	<b>58.4</b>	<b>99.2</b>	<b>160.3</b>	<b>251.9</b>
Proprietary Lending AUM	13.2	13.2	13.2	13.2	13.2	13.2
Co-lending AUM		18.1	45.2	86.0	147.1	238.7
Proprietary Lending Yield	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%
Co-lending Yield		8.0%	8.0%	8.0%	8.0%	8.0%
<b>Total Sales/ Interest Income</b>	<b>2.90</b>	<b>4.35</b>	<b>6.52</b>	<b>9.78</b>	<b>14.66</b>	<b>22.00</b>
Int. Income from On the Proprietary Lending AUM	2.90	2.90	2.90	2.90	2.90	2.90
Int. Income from Off the Co-lending AUM		1.45	3.62	6.88	11.77	19.10

The financial projections prepared by the management of the Company are consistent with the Company's dual-engine business model. The proprietary lending portfolio has been assumed at a constant AUM of ₹13.2 Cr across the projection period.



period, generating a steady annual income of ~₹2.90 Cr at a yield of 22%, thereby reflecting the stable base of revenues that anchors the business. In parallel, the co-lending engine is projected to expand materially from ₹18.1 Cr in Year 1 to ₹238.7 Cr in Year 5, yielding a recurring income of ~8% on the respective AUM. This results in incremental income rising from ₹1.45 Cr in Year 1 to ₹19.10 Cr in Year 5. The combined outcome is a progressive increase in total sales/interest income from ₹2.90 Cr in Year 0 to ₹22.00 Cr in Year 5, demonstrating how the stable proprietary lending base together with the scalable co-lending operations drive a predictable yet high-growth trajectory.

**Kindly show the entire working to achieve this CAGR figure considering the past values as provided.**

**Clarification:**

Basis discussion with management and representations given by the management of the Company, We note that the revenue figures referred to in your query are not on a comparable basis, as the FY22 figure pertains to the standalone financials of 4A Financial Technologies Private Limited, while the FY23 and FY24 figures are on a consolidated basis. The Total Revenue for FY22 mentioned in your query (₹10.95 lakhs) pertains to the standalone financials of 4A Financial Technologies Private Limited, whereas FY23 and FY24 figures are on a consolidated basis. For consistency, the correct consolidated revenue for FY22 is **₹11.83 lakhs**.

On consolidated basis, the Company's revenues increased from ₹11.83 lakhs in FY22 to ₹280.83 lakhs in FY24, translating into a two-year CAGR of approximately 387% p.a. We also wish to clarify that the figures noted in your query appear to reflect the simple year-on-year **growth multiples**, whereas the Company's reference was to the compounded annual growth rate (CAGR), which is a distinct measure.

In contrast, the CAGR of ~50% p.a. referred to in our earlier response pertains solely to the forward-looking projections of Sales/Interest Income, increasing from ₹2.90 Cr in Year 0 to ₹22.00 Cr in Year 5 under the dual-engine business model.

Accordingly, when compared against the Company's historical CAGR of ~387% (FY22-FY24), the projected CAGR of ~50% is moderate and conservative, reflecting a sustainable growth trajectory as operations scale under the dual-engine model. The workings form the part of the valuation report and are also reproduced in previous query response for ready reference.

- b. **With respect to response to the query 5 (f) provided by the Company, vide letter dated September 15, 2025. The Company has stated that "The Company has converted certain CCDs pursuant to which the equity shares were issued on May 30, 2025." Kindly clarify if the CCDs were issued on May 30, 2025 why was it not considered on June 4, 2025.**

**Further, the Company's total figure i.e. 1,77,733 is not in consensus with our observation. Kindly clarify the reason for this discrepancy.**

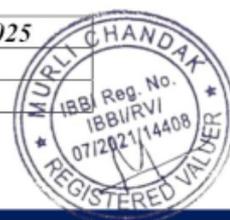
**Clarification:**

In your query, reference has been made to June 4, 2025. We wish to confirm, based on discussions held with the management of 4A Financial Technologies Private Limited, that this date has no relevance to the conversion of CCDs or the issuance of equity shares by the company. The only material date remains **May 30, 2025**, being the date on which the CCDs were duly converted and equity shares were allotted in accordance with the terms of issue. We understand that this position has also been discussed with your office.

For the purpose of our valuation exercise, we relied upon the management representation letter dated August 12, 2025, provided by 4A Financial Technologies Private Limited, wherein the total outstanding equity shares were confirmed to be 1,77,734.

- c. **Kindly mention the details of the financials in the table below:**

Particulars	2022	2023	2024	2025
Sales				
Net Operating Income/PAT				



# MURLI CHANDAK

Registered of Securities & Financial Assets

IBBI/RV/07/2021/14408

## Clarification:

The details of the financials for the periods FY22 to FY25 on consolidated basis are enclosed below in the prescribed format.

<i>Particulars (INR)</i>	<i>2022</i>	<i>2023</i>	<i>2024</i>	<i>2025</i>
<i>Sales</i>	<i>11,82,526</i>	<i>89,74,776</i>	<i>2,80,83,313</i>	<i>3,52,10,162</i>
<i>Net Operating Income/PAT</i>	<i>3,64,993</i>	<i>-73,81,964</i>	<i>-77,74,393</i>	<i>-85,47,582</i>


Date: 26-09-2025

Place: Ahmedabad

CA Murl Chandak

Membership No - 436508

IBBI Registration No: IBBI/RV/07/2021/14408

205, Ashwamegh Avenue, Near Helmet House

Mithakali, Navrangpura, Ahmedabad 380009