

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER
FOR THE ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY ONLY**

This is an Abridged Letter of Offer containing salient features of the Letter of Offer dated November 07, 2022 ("Letter of Offer"), which is available on the websites of the Lead Manager, Registrar, our Company and the Stock Exchanges where the Equity Shares of our Company are listed, i.e., BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (the "Stock Exchanges"). You are encouraged to read greater details available in the Letter of Offer. The capitalised terms not specifically defined herein shall have the meaning ascribed to them in the Letter of Offer.

THIS ABRIDGED LETTER OF OFFER CONTAINS 12 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

Our Company has made available on the Registrar's website www.linkintime.co.in and the Company's website at www.transwarranty.com this Abridged Letter of Offer, along with the Rights Entitlement Letter and Application Form, to the Eligible Equity Shareholders. You may also download the Letter of Offer from the websites of the Lead Manager, the Company, the Securities and Exchange Board of India ("SEBI"), the Stock Exchange and the Registrar, i.e., www.fedsec.in, www.transwarranty.com, www.sebi.gov.in, www.bseindia.com, www.nseindia.com and www.linkintime.co.in respectively. The Application Form is available on the website of our Lead Manager, Company, BSE and NSE.



TRANSWARRANTY FINANCE LIMITED

Registered Office: 403, Regent Chambers, Nariman Point, Mumbai – 400021

Tel: +91 22 22047965; **Fax:** N.A.

Contact Person: Suhas Borgaonkar, Company Secretary and Compliance Officer,

E-mail: companysecretary@transwarranty.com;

Website: www.transwarranty.com; **Corporate Identification Number:** L65920MH1994PLC080220

OUR PROMOTER- KUMAR NAIR.

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF TRANSWARRANTY FINANCE LIMITED (THE "COMPANY" OR THE "ISSUER") ONLY

DETAILS OF THE OFFER

Type of Issue	Rights Issue Size (in number)	Rights Issue Size	Issue under SEBI (ICDR) Regulations
Rights Issue	2,44,60,568 (Two Crore Forty-Four Lakhs Sixty Thousand Five Hundred and Sixty-Eight Only) Equity Shares	Upto ₹ 24,46,05,680 (Rupees Twenty- Four crore Forty-Six Lakh Five Thousand Six Hundred and Eighty Only)*	Chapter III of SEBI (ICDR) Regulations

ISSUE DETAILS, LISTING AND PROCEDURE

ISSUE OF UPTO 2,44,60,568 PARTLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("RIGHTS EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 10 EACH PER RIGHTS EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING TO RS. 2446.06 LAKHS ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF ONE (1) RIGHT EQUITY SHARE FOR EVERY ONE (1) FULLY PAID-UP EQUITY SHARE HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON NOVEMBER 04, 2022 (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS ₹ 10 WHICH IS 1 TIME THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED "TERMS OF THE ISSUE" ON PAGE 209 OF THE LETTER OF OFFER.

*Assuming full subscription and receipt of all Call Monies with respect to the Rights Equity Shares.

PAYMENT METHOD FOR THE ISSUE

Amount Payable per Rights Equity Share*	Face Value (₹)	Premium (₹)	Total (₹)
On Application	3	Nil	3
On One or more subsequent Call(s) as determined by our Board at its sole discretion, from time to time	7	Nil	7
Total	10	Nil	10

* For further details on Payment Schedule, see "Terms of the Issue" on page 209 of the Letter of Offer.

Listing Details: The existing Equity Shares are listed on the Stock Exchanges. Our Company has received ‘In-Principle’ approvals from BSE and NSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide its letter bearing reference number DCS/RIGHT/VK/FIP/2671/2022-23 dated October 07, 2022 and from NSE vide letter bearing reference number NSE/LIST/32127 dated August 23, 2022. For the purpose of this Issue, the Designated Stock Exchange is BSE.

Procedure: If you wish to know about processes and procedures applicable to a Rights Issue, you may refer to the section titled “*Terms of the Issue*” on page 209 of the Letter of Offer. You may download a copy of the Letter of Offer from the websites of our Company, SEBI, Stock Exchanges, Lead Manager and Registrar to the Issue as stated above.

ELIGIBILITY FOR THE ISSUE

Our Company is a listed company, incorporated under Companies Act, 1956. The Equity Shares of our Company are presently listed on the Stock Exchanges. We are eligible to undertake the Issue in terms of Chapter III of the SEBI ICDR Regulations. Pursuant to Clauses (1) of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is required to make disclosures in accordance with Part B of Schedule VI to the SEBI ICDR Regulations.

MINIMUM SUBSCRIPTION

As the object of the Issue does not involve financing of capital expenditure, and as our Promoter, through its letter dated November 06, 2022 has confirmed its intention to subscribe to their Rights Entitlement in the Issue and not renounce its Rights Entitlements. The minimum subscription criteria mentioned under the SEBI ICDR Regulations will not be applicable to the Issue. Therefore, minimum subscription clause is not applicable and the size of the issue will stand reduced to the extent of the Right Issue subscribed.

INDICATIVE TIMETABLE**

Issue Opening Date	November 15, 2022	Date of Allotment (on or about)	December 07, 2022
Last date for on Market Renunciation[#]	November 23, 2022	Initiation of refunds	December 07, 2022
Issue Closing Date[*]	November 29, 2022	Date of credit (on or about)	December 14, 2022
Finalising the basis of allotment with the Designated Stock Exchanges	December 07, 2022	Date of listing (on or about)	December 14, 2022

***The above time table is indicative and does not constitute any obligation on our Company or Lead Manager*

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.

** Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.*

Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

NOTICE TO INVESTORS

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch through email and courier the Letter of Offer, this Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue (**collectively the “Issue Material”**) only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, the Letter of Offer will be provided, through email and courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access the Issue Material from the websites of the Registrar, our Company and the Stock Exchange. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue Materials.

Further, the Letter of Offer will be provided to those who make a request in this regard.

The Company, the Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

NO OFFER IN THE UNITED STATES

The rights entitlements and the rights equity shares have not been and will not be registered under the United States securities act of 1933, as amended (the “US Securities Act”), or any U.S. State securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof (the “United States” or “U.S.”), except in a transaction exempt from the registration requirements of the securities act. The rights entitlements and the rights equity shares referred to in the Letter of Offer are being offered in India, but not in the United States. The offering to which the letter of offer relates is not, and under no circumstances is to be construed as, an offering of any rights equity shares or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities. Accordingly, this Abridged Letter of Offer / Letter of Offer and enclosed Application Form and Rights Entitlement Letters should not be forwarded to or transmitted in or into the United States at any time.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless

they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Rights Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Letter of Offer. Specific attention of the investors is invited to the section titled “**Risk Factors**” on page 22 of this Letter of Offer

Name of the Lead Manager and Contact Details	FEDEX SECURITIES PRIVATE LIMITED CIN: U67120MH1996PTC102140 B7, Jay Chambers, Dayaldas Road, Vile Parle East, Mumbai - 400057. Tel. No.: +91 22 26186966; E-Mail: mb@fedsec.in Contact Person: Saipan Sanghavi Website: www.fedsec.in SEBI Reg. No.: INM000010163 Validity of registration: Permanent
Name of the Registrar and Contact Details	LINK INTIME INDIA PRIVATE LIMITED C-101, 247 Park, L.B.S. Marg, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra 400083 Tel. No: 022- 4918 6200 E-mail Id: transwarranty.rights@linkintime.co.in Website: www.linkintime.co.in Contact Person: Sumeet Deshpande SEBI Registration No: INR000004058
Name of the Statutory Auditor	S S KHAN & CO., Chartered Accountants
Self-Certified Syndicate Banks (“SCSBs”)	The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes . On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.
Banker to the Issue	ICICI Bank Capital Market Division, 5st Floor, 163, HT Pareskh Marg, Backbay Reclamation, Churchgate, Mumbai - 400020 Tel No: 022-68052185 Fax Number: 022-22611138 Email Id: amandeeparora@icicibank.com Website: www.icicibank.com Contact Person: Mr. Amandeep Arora SEBI Registration No.: INBI00000004

SUMMARY OF BUSINESS

Our Company was incorporated and commenced its business on August 09, 1994 as “Trans Warranty Finance Limited” under the Companies Act, 1956. Subsequently, the name of our Company was changed to “Transwarranty Finance Limited” and fresh certificate of incorporation upon change of name was issued by Registrar of Companies, Maharashtra, Mumbai dated July 8, 2005. Our Company is a non-deposit taking Non-Banking Financial Company (NBFC-ND) registered with RBI to carry on the NBFC activities under Section 45IA of the Reserve Bank of India Act, 1934 bearing Registration no. B-13.00971.

Through the Initial Public Offering, the Equity Shares of our Company were listed on BSE Limited and the National Stock Exchange of India Limited vide their listing approvals dated February 26, 2007.

Our Company is promoted by Kumar Nair, having an experience of over 30 years in the financial sector.

Our Company is engaged in lending and advisory services. Our business model can be broadly classified into:

- a. Lending Business

b. Financial Advisory Services (comprising of Investment Banking, Trade Finance, Corporate Finance) Wealth Management, Stock Broking and Distribution Business
For further details, please refer to the chapter titled “**Our Business**” at page 73 of the Letter of Offer.

Details of Promoters			
Sr. No.	Name	Individual/Corporate	Experience & Educational Qualification
1.	Kumar Nair	Individual	Kumar Nair, aged 60 years, is the Promoter and Director of our Company holding 1,27,08,694 equity shares i.e., 51.95% of the total no. of shares. He is having an experience of 30 years in financial sector.

OBJECTS OF THE ISSUE

The Net Proceeds are proposed to be used in accordance with the details set forth below:

Particulars	Amount to be funded from Net Proceeds [#]
Meeting incremental working capital requirements [#]	1497.72
General corporate purposes *	533.14
Total Net Proceeds	2030.86

[#]The amount is subject to adjustment upon finalization of Issue related expenses and subject to receipt of subsequent call money as may be called by the Board or Rights Issue Committee time to time, however, in no event, shall general corporate purposes exceed 25% of the Gross Proceeds.

Interim use of Net Proceeds

Our Company, in accordance with the policies established by the Board, from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds in deposits with one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, for the necessary duration. Such investments will be approved by our Board from time to time. Our Company confirms that it shall not use the Net Proceeds for any buying, trading, or otherwise dealing in the shares of any other listed Company or for any investment in the equity markets or providing inter-corporate deposits to any related parties.

Additionally, in compliance with Regulation 66 of the SEBI ICDR Regulations, our Company confirms that it shall not use the Net Proceeds for financing or for providing loans to or for acquiring shares of any person who is part of the Promoter Group or Group Companies. Further, our Company confirms that the borrowings proposed to be repaid from the Net Proceeds have not been utilised towards any payments, repayment / refinancing of any loans availed from the Promoter Group or Group Companies.

Monitoring Agency

Our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

For more details, please refer to the chapter titled “**Objects of the Issue**” on page 53 of the Letter of Offer.

EQUITY SHAREHOLDING PATTERN OF THE COMPANY AS ON DATE OF THE LETTER OF OFFER

The statement of the shareholding pattern of our Company as on September 30, 2022, as included in the Letter of Offer is as follows:

Category of Shareholder	Pre-Issue Number of Shares Held	Total as a % of Voting Rights
(A) Promoter and Promoter Group	1,31,14,927	53.62
(b) Public	1,13,45,641	46.38
Grand Total	2,44,60,568	100.00

For more details, please refer to the chapter titled “**Capital Structure**” on page 48 of the Letter of Offer.

DETAILS OF THE BOARD OF DIRECTORS OF THE COMPANY AS ON DATE OF THE LETTER OF OFFER

Name and Designation	Other directorships in Companies
Kumar Nair Designation: Managing Director & CEO	1. Vertex Securities Limited 2. Consolidated Eutectics (Kolhapur) Private Limited 3. Transwarranty Capital Market Services Private Limited 4. Vertex Commodities And Finpro Private Limited
Ramachandran Unnikrishnan Designation: Executive Director & CFO	1. Vertex Securities Limited 2. Suncem Surface Coatings Pvt Ltd

Name and Designation	Other directorships in Companies
	3. Transwarranty Capital Market Services Private Limited 4. Vertex Commodities And Finpro Private Limited
Pravin Khatau Designation: Independent Director	NIL
Nirmala Parab Designation: Independent Director	NIL
Shishir Vasant Dalal Designation: Independent Director	1. Remsons Industries Limited 2. Keynote Financial Services Limited 3. Windsor Machines Limited 4. Star Chemicals (Bombay) Private Limited 5. Rcube Energy Storage Systems Private Limited 6. Eurus First Financial Partners Private Limited 7. Sustainable Agro-Commercial Finance Limited 8. Eurus Management Services Private Limited 9. Workloft Spaces Private Limited 10. Work Loft Private Limited (Under Process of Striking Off)
Sudharsanan Nair Designation: Independent Director	1. Sportinglions Foundation

For more details, see the chapter titled “*Our Management*” on page 78 of the Letter of Offer.

NEITHER OUR COMPANY NOR OUR PROMOTERS OR ANY OF OUR DIRECTORS HAVE BEEN DECLARED AS A WILFUL DEFAULTER OR FRAUDULENT BORROWER BY THE RBI OR ANY OTHER GOVERNMENT AUTHORITY

FINANCIAL INFORMATION

A summary of the Financial Information of our Company as at March 31, 2022 and March 31, 2021 and unaudited consolidated financial results for the quarter ended on June 30, 2022 are set out below:

Particulars	(₹ in lakhs)		
	June 2022	Fiscal 2022	Fiscal 2021
Total Income from Operations(net)	-	1,586.46	(959.67)
Net Loss before Tax and extraordinary items	(115.54)	(214.85)	(286.19)
Net Loss after Tax and extraordinary items	(115.54)	(214.85)	(280.79)
Reserves and Surplus	-	(692.74)	(459.46)
Revenue	262.43	1,478.84	1,429.58
EBITDA	-	305.78	98.45
Profit After Tax	(115.54)	(212.80)	(286.86)
Equity Share Capital	2,446.06	2,446.06	2,446.06
Earnings per share (Basic and Diluted)	(0.49)	(0.87)	(1.28)
Net Worth	-	1,421.35	1,646.90
Net asset value per Equity Share	-	5.81	6.73
Total borrowings	-	3,687.70	3,733.80
Return on Net Worth (%)	-	(14.97%)	(17.42%)

Figures in Brackets indicates losses

*As per Audited Financial Result submitted to Stock Exchanges.

For further details, please refer the section titled “*Financial Information*” on page 81 of the Letter of Offer.

INTERNAL RISK FACTORS

The below mentioned risks are the top five risk factors as per the Letter of Offer:

We operate in a highly competitive industry and our inability to compete effectively may adversely affect our business.

1. There are outstanding legal proceedings involving our Company, Directors and our Subsidiaries Company.
2. We operate in a highly competitive industry and our inability to compete effectively may adversely affect our business.
3. Any disruption in our sources of funding or increase in costs of funding could adversely affect our liquidity and financial condition.
4. We are affected by volatility in interest rates for both our lending and fund raisings operations, which could cause our net interest income to decline and adversely affect our results of operations and profitability.
5. Any inability on our part to effectively utilize the Issue Proceeds could adversely affect our financial results. The objects of

the Issue are based on the internal estimates of our management and have not been appraised by any bank or financial institution.

For further details, see the section “Risk Factors” on page 22 of the Letter of Offer.

SUMMARY OF OUTSTANDING LITIGATION, CLAIMS AND REGULATORY ACTION

A summary of the pending tax proceedings and other material litigations involving our Company is provided below:

Name of the Cases	Number of cases	Total amount involved (₹ in Lakhs)
Against our Company		
Tax	12	285.20
Civil	NIL	NIL
Criminal	NIL	NIL
By our Company		
Tax	12	285.20
Civil	NIL	NIL
Criminal	187	37.83
Against our directors		
Tax	NIL	NIL
Civil	NIL	NIL
Criminal	NIL	NIL
By our directors		
Tax	NIL	NIL
Civil	NIL	NIL
Criminal	NIL	NIL
By our Subsidiary Company		
Tax	1	2.59
Civil (Arbitration)	3	49.09
Criminal	NIL	NIL
Against Subsidiary Company		
Tax	1	2.59
Civil	NIL	NIL
Criminal	NIL	NIL

For further details, please see the chapter titled “Outstanding Litigation and Material Developments” beginning on page 197 of the Letter of Offer.

TERMS OF THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use ASBA. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlement credited in their respective (i) demat accounts; and (ii) demat suspense escrow account (namely LIPL Transwarranty Finance Rights 2022 Escrow Demat Account). For further details on the Rights Entitlements and demat suspense escrow account, see “*Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*” beginning on page 221 of this Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block

Application Money payable on the Application in their respective ASBA Accounts maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Please note that subject to SCSBs complying with the requirements of SEBI Circular CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI Circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details see “*Grounds for Technical Rejection*” on pages 217 of Letter of Offer. Our Company, the Lead Managers and the Registrar shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” beginning on page 219 Letter of Offer.

Rights Entitlement Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of One (1) Rights Equity Share for every One (1) Equity Share held on the Record Date.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 1 Rights Equity Share for every 1 Equity Share held as on the Record Date. As per SEBI Rights Issue Circular, the fractional entitlements are to be ignored.

Procedure for Renunciation of Rights Entitlements

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange; or (b) through an off - market transfer, during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation.

In accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two working days prior to issue closing date, such that credit of REs in their demat account takes place at least one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation. Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements. Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

The Lead Managers and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

(a) On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN INE804H20012 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from November 15, 2022 to November 23, 2022 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN INE804H20012 and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

(b) Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date to enable Renounees to subscribe to the Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN INE804H20012, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the applicable Regulations and in the manner as set out in "***Basis of Allotment***" beginning on page 236 of the Letter of Offer.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.

Intention and extent of participation by our Promoters and Promoter Group in the Issue:

- Pursuant to the letter dated November 06, 2022, our Promoter and members of the Promoter Group, has undertaken that they will
- subscribe, jointly and / or severally to the extent of their Rights Entitlements;
 - subscribe, jointly and / or severally to the extent of any Rights Entitlement that may be renounced in favour by any other Promoters or Member(s) of the Promoter Group of our Company;
 - that they shall not renounce their Right Entitlements except within the Promoter Group, in accordance with the provisions of Regulation 86 of the SEBI (ICDR) Regulations; and
 - at their sole discretion, apply for and subscribe to additional Rights Equity Shares, and any such subscription for Rights Equity Shares shall be over and above their Rights Entitlement.

Except in the ordinary course of business and for the utilisation of a portion of the Net Proceeds towards by the adjustment of Unsecured Loans against the Entitlement of the Promoters, our Promoters, Promoter Group and our Directors do not have any interest in the objects of the Issue.

The above subscription of Rights Equity Shares shall be made to the extent that it does not result in any obligation on our Promoters and members of our Promoter Group to make an “open offer” in accordance with the SEBI Takeover Regulations and shall be in compliance with the Companies Act, the SEBI ICDR Regulations and other applicable laws.

Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

A copy of the offer document of the immediately preceding public or rights issue is available in the manner specified in the regulations and also as a material document for inspection.

ANY OTHER IMPORTANT INFORMATION AS PER THE COMPANY

Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchanges or the Lead Managers. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address or is a U.S. Person or in the United States.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The envelope should be super scribed “Transwarranty Finance Limited – Rights Issue” and should be postmarked in India. The application on plain paper, duly signed by the Eligible Equity Shareholders including joint holders, in the same order and as per the specimen recorded with our Company/Depositories, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Transwarranty Finance Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue Documentary evidence for exemption to be provided by the applicants;
5. Number of Equity Shares held as on Record Date;
6. Allotment option – only dematerialised form;
7. Number of Equity Shares entitled to;

8. Number of Equity Shares applied for within the Rights Entitlements;
9. Number of Additional Rights Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Equity Shares applied for;
11. Total amount paid at the rate of ₹ 10 per Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
16. All such Eligible Equity Shareholders are deemed to have accepted the following:

"I/ We understand that neither the Rights Entitlements nor the Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "United States"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. I/ we understand the Equity Shares referred to in this application are being offered and sold (i) in offshore transactions outside the United States in compliance with Regulation S under the U.S. Securities Act ("Regulation S") to existing shareholders who are non-U.S. Persons and located in jurisdictions where such offer and sale of the Equity Shares is permitted under laws of such jurisdictions and (ii) within the United States or to U.S. Persons that are "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) ("U.S. QIB") pursuant to the private placement exemption set out in Section 4(a)(2) of the U.S. Securities Act, that are also "qualified purchasers" (as defined under the United States Investment Company Act of 1940, as amended) ("QPs") in reliance upon section 3(c)(7) of the U.S. Investment Company Act. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and a non-U.S. Person and eligible to subscribe for the Equity Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar, the Lead Managers or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, the Lead Managers or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.

I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

I/ We understand and agree that the Rights Entitlements and Equity Shares may not be reoffered, resold, pledged or otherwise except in an offshore transaction in accordance with Regulation S or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States or a Qualified Institutional Buyer (as defined in the US Securities Act), and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S or in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act.

Options available to the Eligible Equity Shareholders

Details of each Eligible Equity Shareholders RE will be sent to the Eligible Equity shareholder separately along with the Application Form and would also be available on the website of the Registrar to the Issue at www.linkintime.co.in and link of the same would also be available on the website of our Company at (www.transwarranty.com)

Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

The Eligible Equity Shareholders will have the option to:

- i. apply for its Equity Shares to the full extent of its Rights Entitlements; or
- ii. apply for its Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- iii. apply for Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- iv. apply for its Equity Shares to the full extent of its Rights Entitlements and apply for a Additional Rights Shares; or
- v. renounce its Rights Entitlements in full.

Record date for Call and suspension of trading

Our Company would fix a Call Record Date giving notice, in advance of such period as may be prescribed under applicable law, to the Stock Exchanges for the purpose of determining the list of holders of the Rights Equity Shares to whom the notice for the Call would be sent. Once the Call Record Date has been fixed, trading in the Rights Equity Shares for which the call has been made may be suspended prior to the Call Record Date.

Procedure for Call for Rights Equity Shares

Our Company would convene a meeting of the Board of Directors to pass the required resolutions for making the Call and suitable intimation would be given by our Company to the Stock Exchanges. Further, advertisements for the same will be published in (i) one English national daily newspaper; (ii) one Hindi language national daily newspaper; and (iii) one Marathi language daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is situated), all with wide circulation. The Call shall be deemed to have been made at the time when the resolution authorising such Call is passed at the meeting of our Board. The Call may be revoked or postponed at the discretion of the Board. Pursuant to the provisions of the Articles of Association, the Investors would be given at least 15 days' notice for the payment of the Call. The Board may, from time to time at its discretion, extend the time fixed for the payments of the Call. Our Company, at its sole discretion and as it may deem fit, may send one or more reminders for the Call, and if it does not receive the Call Monies as per the timelines stipulated unless extended by the Board, the defaulting holders of the Rights Equity Shares will be liable to pay interest as may be fixed by the Board unless waived or our Company may forfeit the Application Money and any Call Money received for previous Call made.

Payment of Call Money

In accordance with the SEBI circular SEBI/HO/CFD/DIL1/CIR/238/2020 dated December 8, 2020 regarding additional payment mechanism (i.e. ASBA, etc.) for payment of balance money in call for partly paid specified securities issued by the listed entity, the holders of Rights Equity Shares may make payment of the Call Monies using ASBA Mechanism through the Designated Branch of the SCSB or through online/electronic through the website of the SCSBs (if made available by such SCSB) by authorizing the SCSB to block an amount, equivalent to the amount payable on Call, in the Investor's ASBA Account. The holders of Rights Equity Shares may also use the facility of linked online trading, demat and bank account (3-in-1 type account), if provided by their broker, for making payment of the Call Monies.

Separate ISIN for Rights Equity Shares

In addition to the present ISIN for the existing Equity Shares, our Company would obtain a separate ISIN for the Rights Equity Shares for each Call, until fully paid-up. The Rights Equity Shares offered under this Issue will be traded under a separate ISIN after each Call for the period as may be applicable under the rules and regulations prior to the record date for the final Call Notice. The ISIN representing the Rights Equity Shares will be terminated after the Call Record Date for the final Call. On payment of the final Call Money in respect of the Rights Equity Shares, such Rights Equity Shares would be fully paid-up and merged with the existing ISIN of our Equity Shares.

DECLARATION BY OUR COMPANY

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Kumar Nair
Managing Director & CEO

Ramachandran Unnikrishnan
Executive Director & CFO

Pravin Khatau
Independent Director

Nirmala Parab
Independent Director

Shishir Vasant Dalal
Independent Director

Sudharsanan Nair
Independent Director

SIGNED BY COMPANY
SECRETARY AND
COMPLIANCE OFFICER

Mr. Suhas Borgaonkar

Place: Mumbai

Date: November 7, 2022