

THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY. THIS IS NOT A PROSPECTUS ANNOUNCEMENT AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE FOR UNITS OR SECURITIES. NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY OUTSIDE INDIA.



**E Factor Experiences Limited**  
(formerly known as E Factor Entertainment Private Limited)  
**CIN: U92199DL2003PLC118285**

Our Company was originally incorporated as a Private Limited Company under the name of “E Factor Entertainment Private Limited” on January 02, 2003 under the provisions of the Companies Act, 1956 with the Registrar of Companies, NCT of Delhi & Haryana. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extraordinary General Meeting, held on July 30, 2021, the name of our company was changed from “E Factor Entertainment Private Limited” to “E Factor Experiences Private Limited” and a fresh Certificate of Incorporation pursuant to change of name dated August 04, 2021 issued by the Registrar of Companies, Delhi. Further, pursuant to Special Resolution passed by the Shareholders at the Extraordinary General Meeting, held on August 16, 2021, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from “E Factor Experiences Private Limited” to “E Factor Experiences Limited” vide a fresh certificate of incorporation dated September 30, 2021, issued by the Registrar of Companies, Delhi and bearing CIN U92199DL2003PLC118285. For further details please refer to chapter titled “History and Corporate Structure” beginning on page 110 of this Draft Red Herring Prospectus.

**Registered Office:** 101-A, Kundan Kutir Hari Nagar Ashram, New Delhi-110014, India.

**Corporate Office:** Plot No. A-49, Sec 67, Gautam Budh Nagar, Noida-201301, Uttar Pradesh, India.

**Contact Person:** Anushka Chauhan, Company Secretary & Compliance Officer

**Tel No:** +91-120-3100184; **E-mail:** [cs@efactorex.com](mailto:cs@efactorex.com); **Website:** [www.efactor4u.com](http://www.efactor4u.com)

**PROMOTERS OF OUR COMPANY:** Jai Thakore, Samit Garg, Aruna Garg and Manika Garg

**ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED AUGUST 23, 2023: NOTICE TO THE INVESTORS (“THE ADDENDUM”)**

**INITIAL PUBLIC OFFER OF UPTO 34,56,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (THE “EQUITY SHARES”) OF E FACTOR EXPERIENCES LIMITED (“OUR COMPANY” OR “THE ISSUER”) AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS (“PUBLIC ISSUE”) OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS 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. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.41% AND [●]% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

Potential Bidders may note the following:

- The Chapter titled “Risk Factors” beginning on page 23 of the Draft Red Herring Prospectus has been updated
- The Chapter titled “Objects of the Issue” beginning on page 62 of the Draft Red Herring Prospectus has been updated
- The Chapter titled “Our Business” beginning on page 90 of the Draft Red Herring Prospectus has been updated
- Please note that all other details in, and updates to the Red Herring Prospectus/ Prospectus with respect to issue price and/or other relevant details will be carried out in the Red Herring Prospectus, as and when filed with ROC, SEBI and the Stock Exchange.

The above is to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Red Herring Prospectus/ Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchanges. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

**On behalf of E Factor Experiences Limited**  
Sd/-  
**Anushka Chauhan**  
Company Secretary & Compliance Officer

Place: Noida

Date: September 18, 2023

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
<b>HEM SECURITIES LIMITED</b> <b>Address:</b> 904,A Wing, Naman Midtown, SenapatiBapatMarg, Elphinstone Road, Lower Parel, Mumbai-400013, India; <b>Tel. No.:</b> +91- 022- 49060000; <b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> <b>Investor Grievance Email:</b> <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a> <b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a> <b>Contact Person:</b> Mr. Sourabh Garg <b>SEBI Registration No.:</b> INM000010981	<b>MAASHITLA SECURITIES PRIVATE LIMITED</b> <b>Address:</b> 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi, 110034 <b>Tel No:</b> +91-11-45121795-96 <b>Email:</b> <a href="mailto:ipo@maashitla.com">ipo@maashitla.com</a> <b>Investor Grievance ID:</b> <a href="mailto:ig@maashitla.com">ig@maashitla.com</a> <b>Website:</b> <a href="http://www.maashitla.com">www.maashitla.com</a> <b>Contact Person:</b> Mr. Mukul Agrawal <b>SEBI Registration No.:</b> INR000004370
BID/ISSUE PROGRAMME	
<b>ANCHOR PORTION ISSUE OPENS/ CLOSES ON: [●]*</b>	<b>BID/ISSUE OPENS ON: [●]**</b>
<b>BID/ISSUE CLOSES ON: [●]**</b>	

\*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

\*\*Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

**TABLE OF CONTENTS**

<b>SECTION</b>	<b>CONTENTS</b>	<b>PAGE NO.</b>
<b>III</b>	<b>RISK FACTORS</b>	1
<b>IV.</b>	<b>INTRODUCTION</b>	
	OBJECTS OF THE ISSUE	3
<b>V.</b>	<b>ABOUT THE COMPANY</b>	
	OUR BUSINESS	6
<b>VI.</b>	<b>FINANCIAL INFORMATION OF THE COMPANY</b>	
	RESTATED FINANCIAL STATEMENTS	7
	STATEMENT OF FINANCIAL INDEBTEDNESS	9
<b>X.</b>	<b>OTHER INFORMATION</b>	
	MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTIONS	11
	DECLARATION	12

**SECTION III: RISK FACTORS****10. Our Statutory Auditor have included certain qualifications in the CARO report and the auditors of our Subsidiary have included Emphasis of Matters in their Audit Report on financial statements.**

Our Statutory Auditors have included certain qualifications in their CARO Report on our financial statements. Below are the details of the observation included in their CARO Report (part of Auditor's Report)

**Financial Year 2023, 2022 & 2021**

- According to the information and explanation given to us and records of the company examined by us during the year, the company is not regular in depositing undisputed statutory dues including income tax, Provident fund, employees' state insurance, custom duty, and other material statutory dues applicable to it with the appropriate authorities.

Further, the auditor of our subsidiary company have included emphasis of matter in their Audit Report, which is reproduced hereunder:

**Financial Year 2022**

- We draw attention to note 2.1(b) of the financial statements, which indicates that the Company incurred a net loss of ₹ 3,537 thousands during the year ended March 31, 2022 and as of that date, its net worth is negative by ₹ 52,277 thousands. However, in view of committed support from the Holding Company, the financial statements have been prepared on going concern basis. Our opinion Is not modified in respect of this matter.
- According to the information and explanations given to us, undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have not been regularly deposited to the appropriate authorities and there have been significant delays in a large number of cases. Undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:-

Statue	Nature of due	Amount (in thousand)	Period to which amount relates	Due Date	Date of payment
Goods and service Tax Act	GST	359	March 2020	April 20, 2020	Not paid
Goods and service Tax Act	GST	30	March 2021	April 20, 2021	Not paid

**Financial Year 2021**

- Undisputed statutory dues including provident fund, employees' state insurance, income tax, Goods & service tax, duty of customs, cess and other material statutory dues, as applicable to it, have generally been regularly deposited with the appropriate authorities though there have been significant delays in some cases. Further, there were no undisputed outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date, they became payable are as follows:

Statue	Nature of due	Amount (in ₹)	Period to which amount relates	Due Date	Date of payment
Goods and service Tax Act	GST	5,09,088	March 2020	April 20, 2020	1,50,000 paid on 11 Oct 2021

**However as on date, all the above-mentioned amounts have been repaid by the company.** There is no assurance that our audit reports for any future fiscal periods will not contain qualifications, matters of emphasis or other observations which affect our results of operations in such future periods. For further details, see, "**Financial Information of the Company**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 132 and 165, respectively.

**18. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.**

We have entered into various transactions with our Directors/ Promoters and Promoter Group members and Group Company. These transactions, inter-alia include, remuneration, loans and advances, reimbursement of expenses etc. For details, please refer to "Annexure-Y- Related Party Transactions" under Section titled "**Financial Information of the Company**" beginning on page 132

respectively of this Draft Red Herring Prospectus. Our Company has entered such transactions due to easy proximity and quick execution on arms-length price in compliance with provisions of Companies Act 2013 and other applicable laws. Although all related-party transactions that we may enter into in the future are subject to approval by Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favourable terms if such transactions are not entered into with related parties.

Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

**22. *We have had certain inaccuracy in relation to regulatory filings to be made with the RoC and our company has made non-compliances of certain provision under applicable law.***

Our company has not complied with certain statutory provisions in the past including but not limited to the details as mentioned in this risk factor for instance, our Company has not filed Form CHG-1 for creation of vehicle loans taken in the past, which is in non-compliance of section 77, 77(3) of the Companies Act, 2013 read with rules made thereunder and which attracts the penalty under section 86 of the Companies Act, 2013. Any cognizance of the non-compliance taken by the regulatory authority shall be addressed by the company promptly.

Also, the company has not filed Form MGT-14 for approval of in respect of loans granted by our company in the year 2015 to its subsidiary and in the year 2017 to its associate companies under section 185 of the Companies Act 2013 which may be subject to penalty under provision(s) of Companies Act, 2013, as maybe applicable. However as on date of this Draft Red Herring Prospectus our company has complied with the provisions of section 185 & Section 186 by according shareholders' approval vide extra ordinary general meeting dated March 20, 2023 and the consequent form MGT-14 for the same has been filed with Registrar of Companies.

Further, our Company has failed to comply with provisions of section 42 of Companies Act, 2013 w.r.t. allotment of **35 shares at Rs. 10/- each amounting to Rs. 350/-** on private placement basis on August 06, 2021. **Further, as on date, the company has filed Form MGT-14 under section 42 for approval of Private Placement by the members of the company which has rectified the non-compliance of section 42.** Any cognizance of the non-compliance taken by the regulatory authority shall be addressed by the company promptly. Furthermore, the company has failed to comply with the provision of section 123 of the Companies Act w.r.t. opening of separate bank account for payment of dividend for the financial year 2020, 2021 & 2022. We have eobserved some clerical errors in relation to amounts of unsecured loans disclosed in form DPT-3 & Form AOC-4 filed by the company with the Registrar of Companies.

Also, certain of our corporate records in relation to increase in authorized share capital, namely the Form-5 filed with the Registrar of Companies by our Company prior to March 31, 2006 are not traceable in the historical records maintained by our Company, or at the MCA Portal maintained by the Ministry of Corporate Affairs. While no legal proceedings or regulatory action has been initiated against us in relation to the unavailable filings and statutory lapses as of the date of this Draft Red Herring Prospectus, we cannot assure you that such proceedings or regulatory actions will not be initiated against us in the future in relation to the missing filings and corporate records. We cannot assure you that any such proceedings will not have a material adverse effect on our financial condition or reputation.

Further, our company has made certain errors in complying with Accounting Standards AS-15 however the same have been duly complied by the company in the restated financial statements. Although, no show cause notice in respect of the above has been received by the Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent.

**36. *Our company have taken certain unsecured loans which can be recalled by the lenders at any time.***

Our company has availed **unsecured loans amounting to ₹ 779.17 Lakhs** out of which ₹ 395.00 lakhs are repayable on demand (*on consolidated basis*) which may be recalled by the lenders at any time. In the event that any lender seeks a repayment of any such loan, such company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Further, our company may not have adequate working capital for repayment or arrange for new alternatives. As a result, any such demand may affect our business, cash flows, financial condition and results of operations. For further details, see "**Statement of Financial Indebtedness**" on page 163 of this Draft Red Herring Prospectus.

**OBJECTS OF THE ISSUE****Details of Utilization of Net Proceeds**

The details of utilization of the Net Proceeds are set forth herein below:

**1. Investment in Subsidiaries:**

Given the nature of our operations, and in order to improve our efficiency, acquiring new customers and expand our offerings it is very important to expand the existing business of the Subsidiary company. The Subsidiary company is planning to start commercially new hot air ballooning locations in India. For that the subsidiary company would need to set up entire office space, place for operations, recruiting the intended manpower at different level, working capital and advertisement & business promotion. Apart from this subsidiary company is also commencing its Yachting operations. *The subsidiary company has already fleet of 2 yachts and 11 hot air balloons.* The company would need to set up small marina from where the operations will be conduct, office space & working capital for the project.

In year 2007-08, we have acquired 80.00% stake in E Factor Adventure Tourism Private Limited through subscribing the equity shares pursuant to which it became our Subsidiary Company.

Our Board, by way of resolution passed in its meeting dated August 18, 2023 noted the requirement for an amount upto ₹ 200 Lakhs proposed to be incurred and utilized as expenditure towards expansion of business across investment in subsidiary company as stated above.

Further, the investment in the subsidiaries will be in the form of equity or debt or any other instrument or combination thereof as may be decided by Management. As on date of the Draft Red Herring Prospectus, the form of investment has not been decided. We believe that the said investment through our subsidiary will scale up our operations and brand presence which will be benefited to our company to build a strong team to cater the prospective consumers and in our operational capacity.

Notes:

- a) The actual deployment of funds towards investment in Subsidiaries will depend on a number of factors, including the timing, nature, size and number of initiatives undertaken, as well as general factors affecting our results of operation, financial condition and access to capital.
- b) *We confirm that, we will comply with the regulation 230 (3) SEBI ICDR and the cumulative amount of the general corporate purpose and the said amount proposed to be investment in subsidiary company will not exceed thirty-five per cent. of the amount being raised by the company.*

**2. To Meet Working Capital Requirements**

With the expansion of the business, our company will be in the need of additional working capital requirements. We fund a majority of our working capital requirements in the ordinary course of business from banks facilities and internal accruals. Our Company requires additional working capital for funding its incremental working capital requirements and releasing the internal accruals deployed in working capital. The funding of the incremental working capital requirements will lead to a consequent increase in our profitability, ability to utilize internal accruals for growth opportunities and achieving the proposed targets as per our business plan.

Our Company proposes to utilize ₹ [●] lakhs of the Net Proceeds in Fiscal 2024 towards our Company's working capital requirements. The balance portion of our Company working capital requirement shall be met from the working capital facilities availed and internal accruals. The incremental and proposed working capital requirements and key assumptions with respect to the determination of the same are mentioned below:

Sr. No.	Particulars	Actual (Restated Standalone)			Estimated
		March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024
I	<b>Current Assets</b>				
	Trade receivables	1,038.26	2,834.41	3,343.82	4,110.00
	Cash and bank balances	163.91	177.58	263.90	290.29
	Short Term Loans & Advances	76.90	644.86	645.60	648.00*
	Other current assets	9.46	27.82	103.89	820.74*
	<b>Total (A)</b>	<b>1,288.53</b>	<b>3,684.67</b>	<b>4,357.21</b>	<b>5,869.02</b>

(₹ in Lakhs)

Sr. No.	Particulars	Actual (Restated Standalone)			Estimated
		March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024
II	<b>Current Liabilities</b>				
	Trade payables	1,094.24	2,920.08	2,921.09	3,000.00
	Other current liabilities	339.68	656.09	412.56	410.00
	Short-term provisions	6.12	11.99	12.86	43.96
	<b>Total (B)</b>	<b>1,440.04</b>	<b>3,588.16</b>	<b>3,346.51</b>	<b>3,456.96</b>
III	<b>Total Working Capital Gap (A-B)</b>	<b>(151.51)</b>	<b>96.52</b>	<b>1,010.70</b>	<b>2,415.06**</b>
IV	<b>Funding Pattern</b>				
	Borrowings & Internal accruals	-	96.52	1,010.70	[●]
	<b>IPO Proceeds</b>				[●]

As certified by Ellahi Goel & Co., Chartered Accountants, by their certificate dated August 18, 2023.

\* Includes the amount of fixed deposit issued against issue of guarantees for events, EMD, Security deposits, retention money required by the company as per terms of the events.

\*\* Further, the mandatory requirement of EMD & Security deposit was reduced to 3-5% till Fiscal 2023 due to covid relaxations, however, now the company has to maintain the EMD & Security deposit in the range of 8-10% of the event fees.

#### Assumptions for working capital requirements:

The following table sets forth the details of the holding period (with days rounded to the nearest whole number) considered for financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, as well as projections for financial year ended March 31, 2024:

Particulars	Unit	March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024
		Audited	Audited	Audited	Estimated
Debtors	Days	735	190	107	110
Creditors*	Days	1079	224	107	92

\*Creditor days have been calculated considering other expenses of the Company.

#### Justification:

<b>Debtors</b>	Our Company's general credit terms vary across type of customer. We expect Debtors Holding days to be around 110 days for F.Y. 2023-24, as compared to 107 days in F.Y. 2022-23, 190 days in F.Y. 2021-22 and 735 days in F.Y. 2020-21. We believe that we will be able to increase the turnover due to our consistent quality and maintain the debtors collection period around 110 days.
<b>Creditors</b>	Our Creditors payments days for the F.Y. 2021-22 and F.Y. 2022-23 were 224 days and 107 days respectively and we expect to maintain it at around 92 days for F.Y. 2023-24.

### 3. Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company

Our Company has entered into various financial arrangements from time to time, with banks and financial institutions. The loan facilities availed by our Company include borrowing in the form of, *inter alia*, term loans and working capital facility from various lenders. For further details, see "**Statement of Financial Indebtedness**" on page 163 of this Draft Red Herring Prospectus. As on March 31, 2023, our total indebtedness under the various financing arrangements of our Company aggregated to ₹ 912.74 lakhs. Our Company proposes to utilise an estimated amount of ₹ 350 lakhs from the Net Proceeds towards full or partial repayment or pre-payment of certain borrowings, listed below, availed from the lenders by our Company. Pursuant to the terms of the financing arrangements, prepayment of certain borrowings may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, will be funded from the internal accruals of our Company.

We believe that such repayment/ pre-payment will help reduce our outstanding indebtedness, debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

The following table provides details of the borrowings availed by our Company, which are currently proposed to be fully or partially repaid (earlier or scheduled) or pre-paid from the Net Proceeds:

*E Factor Experiences Limited*

Sr. No.	Name of the lender	Nature of the borrowing	Sanctioned amount (in ₹ lakhs)	Amount Outstanding as at July 31, 2023 (in ₹ lakhs)	Rate of interest (%)	Repayment date/ Schedule	Prepayment Penalty	Purpose for which the loan was sanctioned*
1	Bajaj Finance	Business Loan	32.03	30.36	17%	36 Months	As Applicable	General business Purpose
2	ICICI bank Limited	Business Loan	49.00	41.42	15.50%	36 Months	As Applicable	General business Purpose
3	Aditya Birla Finance Ltd.	Business Loan	30.00	25.78	17.50%	36 Months	As Applicable	General business Purpose
4	Clix Capital	Business Loan	30.00	23.53	17.50%	24 Months	As Applicable	General business Purpose
5	Federal Bank	Business Loan	30.15	23.54	17%	25 Months	As Applicable	General business Purpose
6	Fullerton	Business Loan	20.29	15.86	17.50%	25 Months	As Applicable	General business Purpose
7	Hero Fin Corp	Business Loan	30.10	25.38	17%	36 Months	As Applicable	General business Purpose
8	IDFC First Bank	Business Loan	50.00	42.10	16.50%	36 Months	As Applicable	General business Purpose
9	Yes Bank Limited	Business Loan	30.00	25.29	17%	36 Months	As Applicable	General business Purpose
10	Axis Bank Loan	Business Loan	30.00	22.20	16.50%	24 Months	As Applicable	General business Purpose
11	Deutsche Bank	Business Loan	50.00	45.73	17.70%	36 Months	As Applicable	General business Purpose
12	Kotak Mahindra	Business Loan	25.00	18.53	17.80%	24 Months	As Applicable	General business Purpose
13	Axis Finance Limited	LAP	21.48	20.14	9.75%	120 Months	As Applicable	General business Purpose
14	Axis Finance Limited	Home Loan	76.00	68.42	7.75%	120 Months	As Applicable	Home Loan
			<b>504.05</b>	<b>428.28</b>				

Note: The details included in the above table have been certified by our Statutory Auditors pursuant to their certificate dated August 18, 2023.

\*Our Statutory Auditors by way of their certificate dated August 18, 2023, have confirmed that the borrowings specified above has been utilized for the purposes availed, as per the sanction letters/loan agreements issued by the respective banks.

**OUR BUSINESS****BUSINESS OVERVIEW**

Apart from all the events that we curate and create in our events business, we entered into a permanent and sustained business with our experiential tourism brand, “Sky Waltz” owned by our Subsidiary company namely E-Factor Adventure Tourism Private Limited. Skywaltz is engaged in the business of managing and operating hot air ballooning and yachting activities in multiple locations in India and is a government approved commercial hot air balloon operator for the last 12 years. *As on date the subsidiary company has a fleet of 2 yachts and 11 hot air balloons.*

The share of revenue through different category of events are as under:

(₹ in Lakhs)

Category	Fiscal 2023	Fiscal 2022	Fiscal 2021
Social Events	1,018.65	265.12	103.49
Tourism/ Sports/ Government Events	9,188.27	4,630.34	408.28
Multimedia Show	1,019.26	438.00	0.00
Corporate Events	172.92	101.18	3.55
<b>Total</b>	<b>11,399.10</b>	<b>5,434.64</b>	<b>515.32</b>

Recently in Fiscal 2023, our company has diversified its services of social events in countries such as Barcelona, Spain and has earned ₹ 945.20 lakhs which contributed to 8.29% of our revenue from operations.

**Logistics Movement:**

Post the development of a comprehensive event plan all the resources and the related tools needed to be move to the event venue. We start the process of looking the vendors for the execution of events. The nature & location of event plays an important role for the selection of vendors. We have tie with our vendors at corporate level as well as at regional level for décor & production, lighting & other equipment etc. Depending upon the nature & quantum of work, we decide where to use which vendor. There are many such activities related to the event like décor & production, lighting, and other equipment, other services & facilities etc. are outsourced to our nominated vendors who undertake the process related to transportation of the resources and equipment to the venue. Once the resources and equipment reach the venue, our team looks after the proper installation and decoration of the venue as per the detailed plan prepared and approved by the customer. Under venue management we undertake steps from the start of the event till the completion of the event including the site clean-up and site handover back to the customers. For risks relating to the dependence on third-party vendors, please see section titled “*Risk Factors- Our business is dependent on third party vendors for activities related to the event like décor & production, lighting, and other equipment, other services & facilities etc. Non-availability of such vendor may adversely affect our business and results of operations.*” on page 29 of this Draft Red Herring Prospectus.



**SECTION VI. FINANCIAL INFORMATION OF THE COMPANY****ANNEXURE – B****RESTATED CONSOLIDATED STATEMENT OF LONGTERM BORROWINGS****(₹ in Lakhs)**

Particulars	As at		
	31/03/2023	31/03/2022	31/03/2021
<b>(Secured)</b>			
<b>(a) Term loans</b>			
From Bank	104.17	118.37	108.72
From Other Parties	-	3.48	11.38
Sub-total (a)	<b>104.17</b>	<b>121.85</b>	<b>120.10</b>
<b>(Unsecured)</b>			
<b>(b) Term loans</b>			
Bank	144.89	22.48	22.48
From Others	77.23	-	-
Sub-total (b)	<b>222.12</b>	<b>22.48</b>	<b>22.48</b>
<b>(c) Loans and advances from related parties &amp; shareholders (Unsecured)</b>			
From Directors	-	-	-
From Others	-	-	-
From Body Corporate	-	-	-
Sub-total (c)	-	-	-
<b>(d) Intercorporate Deposits</b>			
From Body Corporate	-	-	-
Sub-total (d)	-	-	-
<b>Total (a+b+c+d)</b>	<b>326.29</b>	<b>144.33</b>	<b>142.58</b>

Notes:

- The terms and conditions and other information in respect of Secured Loans and Unsecured Loans are given in NOTE-B (A) and NOTE B (B)
- Auto loan sanctioned by ICICI Bank & Kotak Mahindra amounting to Rs. 37.16 Lakhs & 20.49 Lakhs respectively are availed upon hypothecation of vehicle but are classified as unsecured loan due to non-filing of Charge on ROC.

**ANNEXURE B(A)****RESTATED CONSOLIDATED STATEMENT OF TERMS & CONDITIONS OF SECURED LOANS****(₹ in Lakhs)**

Name of Lender	Purpose	Sanctioned Amount	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on 31/03/2023 as per Books
HDFC Bank Ltd.	Auto Loan	31.12	7.80%	Toyoto Fortuner Car	EMI of ₹ 63,100/- (Tenure-60 Months)	0
Axis Finance Limited	Home loan	76.52	7.75%	Property - Flat No. Aster-01/1103, on 10th floor "Supertech Emerald Court" on Plot No. 04, Sector-93 A, Expressway, Noida, District Gautam Budh Nagar, U.P.	EMI of ₹91,832 (Tenure 120 Months)	68.43
Axis Finance Limited	LAP	21.48	9.75%		EMI of ₹28,090 (Tenure 120 Months)	20.15
HDFC Bank Ltd.	Auto Loan	29.62	7.90%	Issuzu Car	EMI of ₹ 59915 (Tenure 60 Months)	27.99
HDFC Bank Ltd.	Cash	200	8.75%	Hypothecation of Stock &	Repayable on	17.00

Name of Lender	Purpose	Sanctioned Amount	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on 31/03/2023 as per Books
	Credit			Book Debts of Company, Collateral charge of the Property located at N-046 & N-047, Jaypee Greens, In Kensington Park, Noida, Uttar Pradesh 201301 Personal Guarantee of Jai Thakore, Samit Garg, Aruna Garg	demand	
<b>TOTAL</b>						<b>133.57</b>

## ANNEXURE B(B)

## RESTATED CONSOLIDATED STATEMENT OF TERMS &amp; CONDITIONS OF UNSECURED LOANS

(₹ in Lakhs)

Name of Lender	Purpose	Rate of Interest	Re-Payment Schedule	31/03/2023
ICICI Bank Limited	Auto Loan	7.50%	EMI of ₹74,729 (Tenure-60 Months)	22.82
Kotak Mahindra Bank	Auto loan	8.90%	EMI of ₹41,644 (Tenure 60 Months)	18.14
ICICI Bank Limited	Business Loan	16%	36 Months	0.00
LCR Investment Private Limited	Business Loan	Interest Free	Payable on demand	50.00
New Era Build	Business Loan	Interest Free	Payable on demand	25.00
Bajaj Finance	Business Loan	17%	36 months (EMI of ₹ 1,27,948/-)	30.36
Amendra Financial Private Limited	Business Loan	Interest Free	Payable on demand	0.00
ICICI bank Limited	Business Loan	15.50%	36 Months (EMI of ₹ 1,72,154/-)	41.42
Aditya Birla Finance Ltd.	Business Loan	17.50%	36 Months (EMI of ₹ 1,07,707/-)	25.78
Clix Capital	Business Loan	17.50%	24 Months (EMI of ₹ 1,49,564/-)	23.53
Federal bank	Business Loan	17%	25 Months (EMI of ₹ 1,49,068/-)	23.54
Fullerton	Business Loan	17.50%	25 Months (EMI of ₹ 1,00,827/-)	15.86
Hero Fin Corp	Business Loan	17%	36 Months (EMI of ₹ 1,07,315/-)	25.38
IDFC First bank	Business Loan	16.50%	36 Months (EMI of ₹ 1,77,022/-)	42.10
Kotak Mahindra bank	Business Loan	17%	24 Months (EMI of ₹ 1,23,006/-)	18.54
Yes Bank Limited	Business Loan	17%	36 Months (EMI of ₹ 1,06,958/-)	25.29
Axis bank unsecure loan	Business loan	16.50%	24 Months (EMI of ₹ 1,47,607/-)	22.20
Deutsche Bank	Business loan	17.70%	36 Months (EMI of ₹ 1,79,510/-)	45.73
Bansal Suppliers Private Ltd.	Intercompany Deposits	0.00%	Repayable on Demand	95.00
New W World Services Ltd	Intercompany Deposits	0.00%	Repayable on Demand	150.00
Nirbharant Management Consultants Private Limited	Intercompany Deposits	0.00%	Repayable on Demand	75.00
India Infoline Finance Limited	Business Loan	14.50%	48 Months (EMI of ₹ 8,128/-)	2.19
Magma Fincorp Limited	Business Loan	14%	48 Months (EMI of ₹ 3,028/-)	1.29
<b>TOTAL</b>				<b>779.17</b>

**STATEMENT OF FINANCIAL INDEBTEDNESS**

To,  
**The Board of Directors**  
**E Factor Experiences Limited**  
 101-A Kundan Kutir Hari Nagar Ashram  
 New Delhi-110014, India.

Dear Sirs,

We M/s. **Ellahi Goel & Co.**, Chartered Accountants, are the present statutory auditors of the Company. This certificate is issued in accordance with terms of our engagement letter dated July 31, 2023 We have received a request from the Company to issue a certificate on the Statement of Financial Indebtedness of the Company. Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of E Factor Experience Limited and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on March 31, 2023 are mentioned below.

**A. SECURED LOANS****STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY**

(₹ In Lakhs except percentage)

Name of Lender	Purpose	Sanctioned Amount (In Lakhs)	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on 31/03/2023 as per Books (In Lakhs)
HDFC Bank Ltd.	Auto Loan	31.12	7.80%	Toyoto Fortuner Car	EMI of ₹ 63,100/- (Tenure-60 Months)	0
Axis Finance Limited	Home loan	76.52	7.75%	Property - Flat No. Aster-01/1103, on 10th floor "Supertech Emerald Court" on Plot No. 04, Sector-93 A, Expressway, Noida, District Gautam Budh Nagar, U.P.	EMI of ₹91,832 (Tenure 120 Months)	68.43
Axis Finance Limited	LAP	21.48	9.75%		EMI of ₹28,090 (Tenure 120 Months)	20.15
HDFC Bank Ltd.	Auto Loan	29.62	7.90%	Issuzu Car	EMI of ₹ 59915 (Tenure 60 Months)	27.99
HDFC Bank Ltd.	Cash Credit	200	8.75%	Hypothecation of Stock & Book Debts of Company, Collateral charge of the Property located at N-046 & N-047, Jaypee Greens, In Kensington Park, Noida, Uttar Pradesh 201301 Personal Guarantee of Jai Thakore, Samit Garg, Aruna Garg	Repayable on demand	17.00
<b>TOTAL</b>						<b>133.57</b>

**B. UNSECURED LOANS**

(₹ In Lakhs except percentage)

Name of Lender	Purpose	Rate of Interest	Re-Payment Schedule	31/03/2023
ICICI Bank Limited	Auto Loan	7.50%	EMI of ₹74,729 (Tenure-60 Months)	22.82
Kotak Mahindra Bank	Auto loan	8.90%	EMI of ₹41,644 (Tenure 60 Months)	18.14
ICICI Bank Limited	Business Loan	16%	36 Months	0.00

*E Factor Experiences Limited*

<b>Name of Lender</b>	<b>Purpose</b>	<b>Rate of Interest</b>	<b>Re-Payment Schedule</b>	<b>31/03/2023</b>
LCR Investment Private Limited	Business Loan	Interest Free	Payable on demand	50.00
New Era Build	Business Loan	Interest Free	Payable on demand	25.00
Bajaj Finance	Business Loan	17%	36 months (EMI of ₹ 1,27,948/-)	30.36
Amendra Financial Private Limited	Business Loan	Interest Free	Payable on demand	0.00
ICICI bank Limited	Business Loan	15.50%	36 Months (EMI of ₹ 1,72,154/-)	41.42
Aditya Birla Finance Ltd.	Business Loan	17.50%	36 Months (EMI of ₹ 1,07,707/-)	25.78
Clix Capital	Business Loan	17.50%	24 Months (EMI of ₹ 1,49,564/-)	23.53
Federal bank	Business Loan	17%	25 Months (EMI of ₹ 1,49,068/-)	23.54
Fullerton	Business Loan	17.50%	25 Months (EMI of ₹ 1,00,827/-)	15.86
Hero Fin Corp	Business Loan	17%	36 Months (EMI of ₹ 1,07,315/-)	25.38
IDFC First bank	Business Loan	16.50%	36 Months (EMI of ₹ 1,77,022/-)	42.10
Kotak Mahindra bank	Business Loan	17%	24 Months (EMI of ₹ 1,23,006/-)	18.54
Yes Bank Limited	Business Loan	17%	36 Months (EMI of ₹ 1,06,958/-)	25.29
Axis bank unsecure loan	Business loan	16.50%	24 Months (EMI of ₹ 1,47,607/-)	22.20
Deutsche Bank	Business loan	17.70%	36 Months (EMI of ₹ 1,79,510/-)	45.73
Bansal Suppliers Private Ltd.	Intercompany Deposits	0.00%	Repayable on Demand	95.00
New W World Services Ltd	Intercompany Deposits	0.00%	Repayable on Demand	150.00
Nirbharant Management Consultants Private Limited	Intercompany Deposits	0.00%	Repayable on Demand	75.00
India Infoline Finance Limited	Business Loan	14.50%	48 Months (EMI of ₹ 8,128/-)	2.19
Magma Fincorp Limited	Business Loan	14%	48 Months (EMI of ₹ 3,028/-)	1.29
<b>TOTAL</b>				<b>779.17</b>

**FOR ELLAHI GOEL & CO.**  
**CHARTERED ACCOUNTANTS**  
 Firm Registration No.: 005147N

Sd/-  
 (CA Mansoor Ellahi)  
 Partner  
 Membership No.: 83750  
 Place: New Delhi  
 Date: September 15, 2023

## **SECTION X – OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Red Herring Prospectus, delivered to the Registrar of Companies, for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the corporate office between 10 A.M. and 5 P.M. on all Working Days from the date of this Draft Red Herring Prospectus until the Issue Closing Date.

#### **Material Contracts**

1. Agreement dated July 27, 2023 between our Company and the Book Running Lead Manager to the Issue.
2. Agreement dated July 26, 2023 executed between our Company and the Registrar to the Issue.
3. Banker to the Issue Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
5. Underwriting Agreement dated [●] between our Company, Book Running Lead Manager and Underwriter.
6. Syndicate Agreement dated [●] between our Company, Book Running Lead Manager and Registrar to the Issue and Syndicate Members
7. Tripartite Agreement dated February 28, 2023 among CDSL, the Company and the Registrar to the Issue.
8. Tripartite Agreement dated January 20, 2022 among NSDL, the Company and the Registrar to the Issue.

#### **Material Documents**

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated January 02, 2003 issued by the Registrar of Companies, NCT Delhi & Haryana.
3. Certificate of Incorporation pursuant to change of name dated August 04, 2021 issued by the Registrar of Companies, Delhi.
4. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company dated September 13, 2021 issued by the Registrar of Companies, Delhi.
5. Copy of the Board Resolution dated March 24, 2023 authorizing the Issue and other related matters.
6. Copy of Shareholder's Resolution dated March 27, 2023 authorizing the Issue and other related matters.
7. Copies of Audited Financial Statements of our Company for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021.
8. Statutory Auditors Report dated August 18, 2023 on the Restated Consolidated Financial Statements for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 ***along with the certificate in addition to the Restated Consolidated Financial Statements dated September 15, 2023.***
9. Copy of the Statement of Tax Benefits dated August 18, 2023 from the Statutory Auditor.
10. Certificate on KPI's issued by Peer Review Auditor dated August 18, 2023.
11. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Syndicate Member, Banker to the Issue/ Sponsor Bank, Statutory Auditor of the Company, Bankers to our Company, Promoters, Directors, Company Secretary and Compliance Officer and Chief Financial Officer, as referred to, in their respective capacities.
12. Board Resolution dated August 23, 2023 for approval of Draft Red Herring Prospectus, dated [●] for approval of Red Herring Prospectus dated [●] for approval of Prospectus.
13. Due Diligence Certificate from Book Running Lead Manager dated August 23, 2023.
14. Approval from NSE vide letter dated [●] to use the name of NSE in the Prospectus for listing of Equity Shares on the NSE Emerge (SME Platform) of the National Stock Exchange of India Limited.

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Jai Thakore Chairman & Whole-time Director DIN: 00638605	Sd/-

Date: September 18, 2023

Place: Noida, UP

**DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India or the regulations or guidelines issued by 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 Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Samit Garg Managing Director DIN: 00779016	Sd/-

Date: September 18, 2023

Place: Noida, UP

**DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India or the regulations or guidelines issued by 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 Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Aruna Garg Whole-time Director DIN: 07020206	Sd/-

Date: September 18, 2023

Place: Noida, UP



**DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India or the regulations or guidelines issued by 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 Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Omung Vipin Bhandula Non-Executive Director DIN: 00461034	Sd/-

Date: September 18, 2023

Place: Mumbai, MH

**DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India or the regulations or guidelines issued by 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 Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Roshan Abbas Independent Director DIN: 00578200	Sd/-

Date: September 18, 2023

Place: Lucknow, UP

**DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India or the regulations or guidelines issued by 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 Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Akhilesh Gupta Independent Director DIN: 10318268	Sd/-

Date: September 18, 2023

Place: Connecticut, USA

**DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India or the regulations or guidelines issued by 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 Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Mukesh Agarwal Chief Financial Officer	Sd/-

Date: September 18, 2023

Place: Noida, UP

**DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India or the regulations or guidelines issued by 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 Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

**SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Anushka Chauhan Company Secretary & Compliance Officer	Sd/-

Date: September 18, 2023

Place: Noida, UP